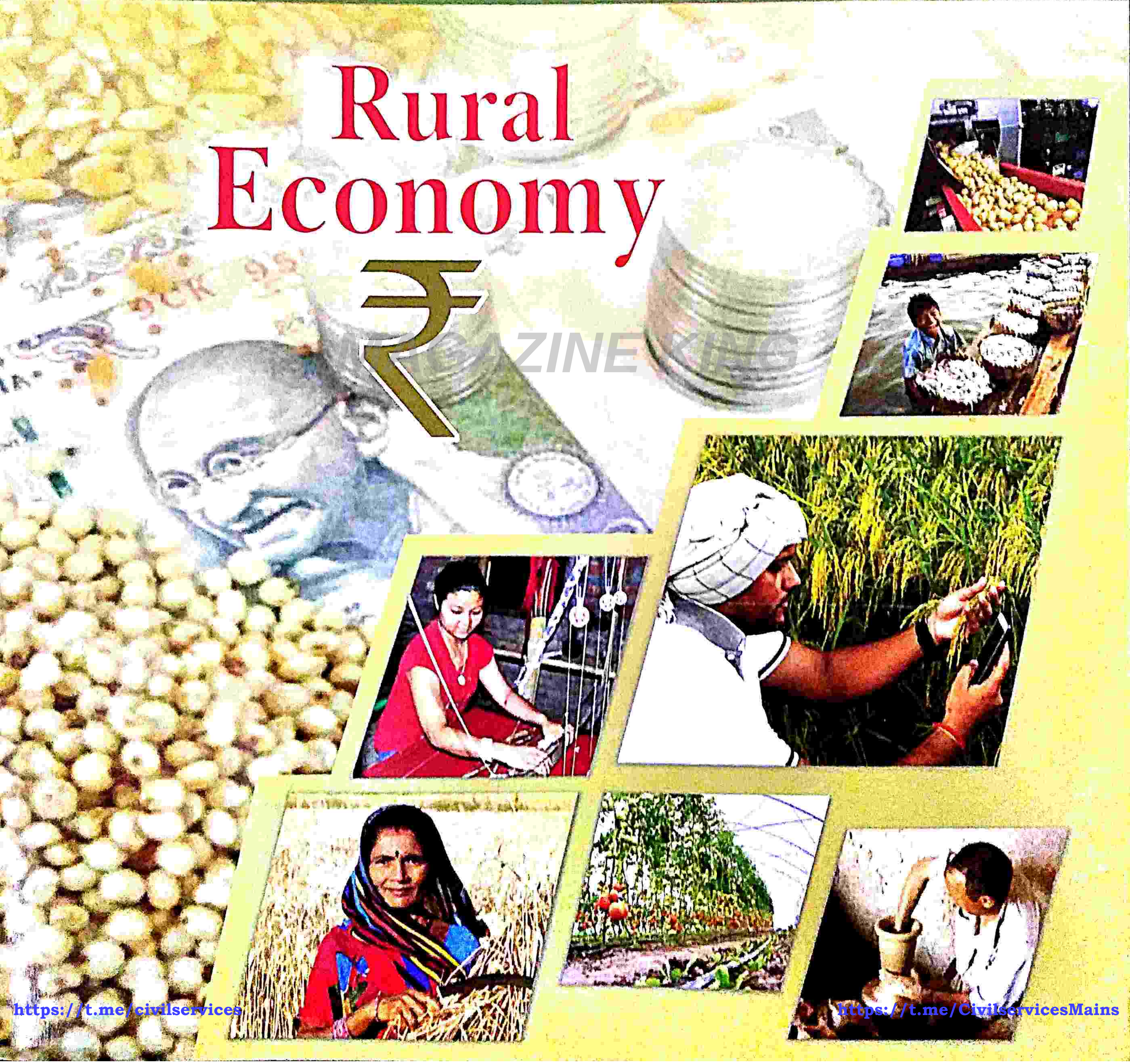
Kurukshetra

A JOURNAL ON RURAL DEVELOPMENT

Vol. 68 No. 10 Pages 52 August 2020 ₹ 22

Rural Economy



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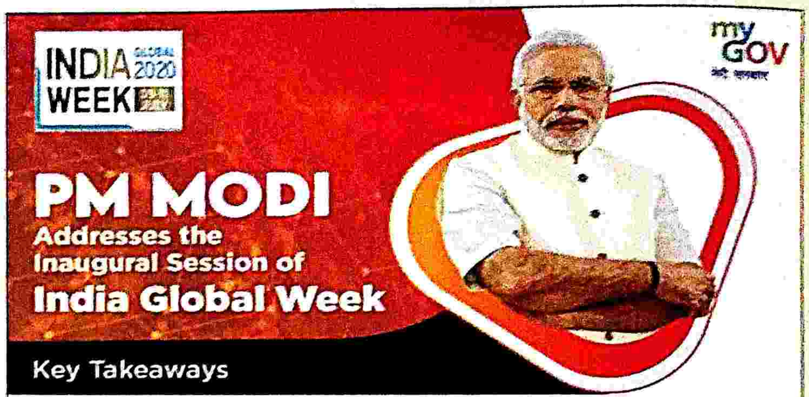
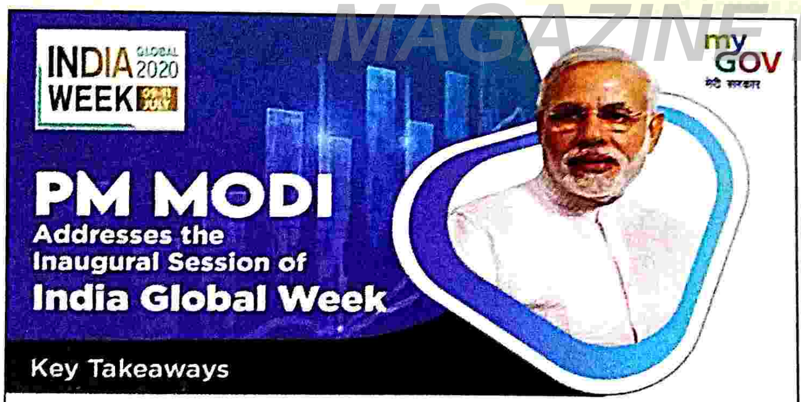
India is one of the Most Open Economies in the World:

Prime Minister Shri Narendra Modi has said, India is playing a leading in the global revival. Addressing the inaugural session of India Global week via video-conference on July 09, 2020 in New Delhi, Shri Modi said, this is closely linked with two factors. First is - Indian talent and second is India's ability to reform and rejuvenate. He elaborated that world over, the contribution of India's talent-force is highly recognised, especially the contribution of the Indian tech industry and tech professionals. He said that when India talks of revival it is: revival with care, revival with compassion, revival which is sustainable - both for the environment and the economy.

The Prime Minister described India as a power-house of talent that is eager to contribute. He said, Indians are natural reformers and history has shown that India has overcome every challenge, be it social or economic.



- **India is playing a leading role in the global revival,** closely linked with two factors - Indian talent & India's ability to reform & rejuvenate
- **India's talent-force is highly recognized,** especially the contribution of Indian tech industry & tech professionals across the world
- When India talks of revival its: **Revival with care, Revival with compassion, Revival which is sustainable** both for the environment & the economy
- **The green-shoots of economic recovery** could already be seen as owing to the indomitable Indian spirit



- **AatmaNirbhar Bharat** is not about being self-contained or being closed to the world but about being self-sustaining & self-generating
- This is an India that is **reforming, performing & transforming,** an India that offers new economic opportunities, adopting a human-centric & inclusive approach to development
- **Namaste has gone global** as a form of greeting during the Pandemic
- India is ready to do whatever it can to further **global good and prosperity**

He said, India is one of the most open economies in the World and is inviting all the multinational companies to set up their business in India. He described India as a land of many possibilities and opportunities. He said, various reforms initiated in the agriculture sector providing a very attractive investment opportunity for the global industry. Shri Modi said, the latest reforms are providing a boost to the MSME Sector and that they would be complimenting the big industry.

Shri Modi said, the pandemic has once again shown that India's Pharma industry is an asset not just for India but for the entire world. It has played a leading role in reducing the cost of medicines especially for developing countries. He said that Aatmanirbhar Bharat is not about being self-contained or being closed to the world but about being self-sustaining and self-generating.

(Source: Press Information Bureau)

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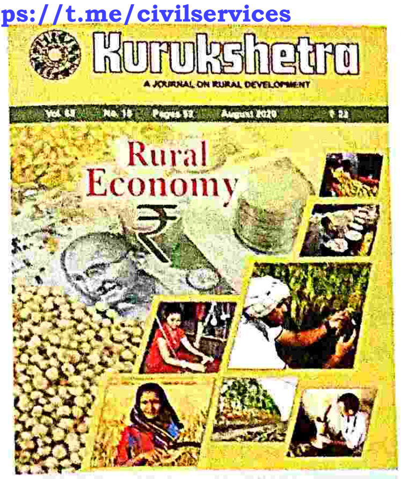
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Kurukshetra

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Kurukshetra seeks to carry the message of Rural Development to all people. It serves as a forum for free, frank and serious discussion on the problems of Rural Development with special focus on Rural Uplift.

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Editorial

Rural sector is the pulse of our country, being an agriculture and farmer based economy, and is linked with the continued progression of the nation. The Government has initiated several steps on the path of success of becoming a five trillion dollars economy by refocusing its efforts to uplift the rural sector. With the emerging crisis of COVID-19 and projected economic depression across the globe, Rural Economy is sure to emerge as the lifeline for the country.

In India, agriculture is the prime sector of boosting the rural economy and rural employment. Rural economy constitutes nearly 46 percent of the national income. The Aatmanirbhar Abhiyaan announced by the Central Government and the concrete steps being taken up towards the returnee migrants, shall be instrumental to enhancing the agriculture sector.

In the August issue of Kurukshetra, we have highlighted the profound changes being seen in country's rural economy in the recent past. As per the 2011 Census, 68.8 percent of country's population and 72.4 percent of workforce resides in rural areas. Therefore, the need of the hour is to accelerate the rural economy by generating skill based employment opportunities, enhancing rural production and productivity, implementing technological practices, and establishing requisite infrastructure.

Our lead article penned by Shri R. C. Kuhad has a detailed analysis as to how India has undertaken visionary steps in this segment, through various strategic and utilitarian schemes aimed at rebooting and boosting the rural economy.

Doubling of farmers' income and sustainable agricultural growth are the key areas being promoted by the Government with a balanced combination of policy reforms and technology integration.

Further, growth in both demand and supply is pivotal in the revival of the Indian rural economy. The issue has reviewed few growth-enhancing measures announced by the government, which are aimed at making the rural economy resilient. This is being assisted by several fiscal incentives, formulation and implementation of sector-friendly policies such as amendment of the Essential Commodities Act, Pradhan Mantri Garib Kalyan Ann Yojana etc., and creating linkages with the allied sectors.

While the initiatives by the government will address the strain and issues of the agriculture sector, farmers too need to be encouraged to diversify their income sources. Agri-entrepreneurship is another area which is gradually gaining steam. Small and marginal farmers should undertake allied farm activities like animal husbandry, dairy, fish or poultry farming etc. The extra revenue can then be invested towards better inputs, technology and skills.

As agriculture and rural sector can be instrumental to strengthen economy of the country post COVID-19, behavior of individuals and businesses will largely help reshape the rural economy. The right policy framework can play a major role in this direction. We hope that our readers will get credible information from this month's issue which will help them be involved in the agriculture community. We thank our readers for taking the time to read our publication and Team Kurukshetra looks forward to receiving your inputs and suggestions as always. We would like to urge our readers to Stay at Home and Stay Safe and help the nation to fight against COVID-19.

Rebooting Rural Economy

Prof. R. C. Kuhad

The economic behavior of the developed and developing countries have been hugely hit by the pandemic COVID-19. India, with its visionary steps in all segments of the economy, has been taking many bold steps to sustain the economy during the crisis. With many strategic and utilitarian schemes aimed at rebooting and boosting the rural economy to achieve doubling of farmers' income, the government has now written a new chapter in the history of Indian economy by launching Aatmanirbhar Bharat Abhiyaan (Self-Reliant India Mission) with a huge package of Rs. 20 lakh crore to accelerate the pace of growth in rural economy by introducing systemic changes in the near future.

"The future of India lies in its villages" – Mahatma Gandhi

India is one of the emerging super powers in the world. The country which is rich in its natural resources, civilization, diverse culture, languages, etc. has been the birth place of many religions, rishis, visionary thought leaders, genius scientists and cultures. In the present times, India is initiating bold steps to reinvigorate the economy, technology, social reforms, governance, health infrastructure and public delivery system. India is predominantly a rural country with two- thirds of its population and 70 percent of its workforce residing in the rural areas, and where rural economy constitutes 46 percent of Indian economy (NITI Aayog, 2017).

The economic behavior of the developed and developing countries have been hugely hit by the pandemic COVID-19. India, with its visionary steps in all segments of the economy, has been taking many bold steps to sustain the economy even during the crisis. In view of the fact that India has an estimated 497 million workers, of which about 94 percent work in the private or unorganised sector, the government is emphasising more on the unorganised sector which primarily affects the rural economy.

With many strategic and utilitarian schemes aimed at rebooting and boosting the rural economy to achieve doubling of farmers' income, the government has now written a new chapter in the history of Indian economy by launching Aatmanirbhar Bharat Abhiyaan (Self-Reliant India Mission) with a huge package of Rs.20 lakh crore to accelerate the pace of growth in rural economy by introducing systemic changes in the near future.

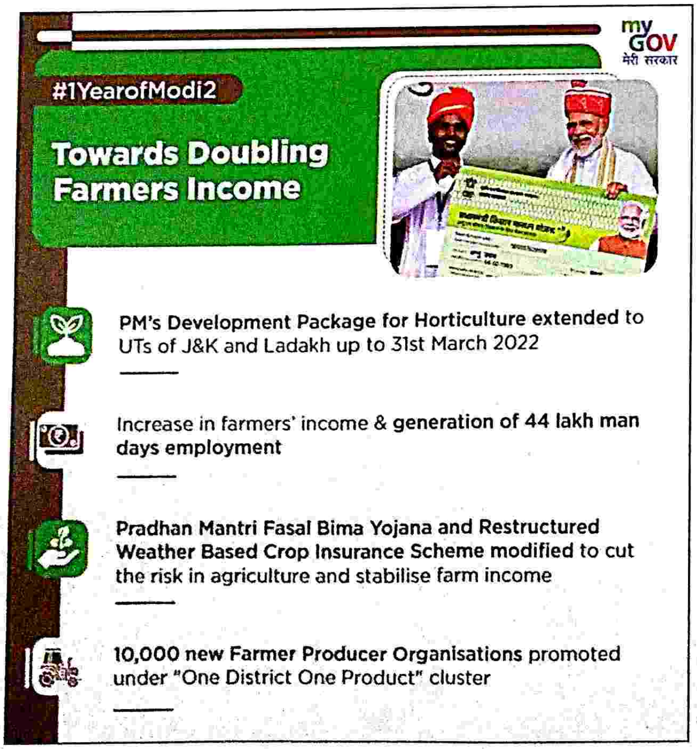
COVID-19 Pandemic and the Economy

With the outbreak of COVID-19 pandemic, the world has witnessed unprecedented crisis in the areas of consumption, manufacturing, exports, and capital flows, which has posed numerous

challenges before the economy in general and the rural economy in particular. Considering the impact of slowdown on these four issues, the Government of India launched 'Self-Reliant India Mission' with special focus on health care, employment and financial support. The package provides enough budget for emergency healthcare requirements of the hospitals, safeguarding the employees and employment during the crisis as well as post-crisis, and for the support of the poor and vulnerable sections in the form of direct financial assistance, food and livelihood support. Cherishing the principles of the welfare state, the Government rose to the occasion and announced the financial package of Rs.20 lakh crores which was widely hailed as a game-changer in time of crisis. This historic announcement heralded the new beginning of the reformative steps to negate the adverse effects of the pandemic on the marginal sections of society.

Doubling of Farmers' Income (DFI) by 2022

The Government of India has set a target of doubling the farmers' income (DFI) by the year 2022. To administer this strategically, the Government has set up the Inter-Ministerial Committee on Doubling Farmers' Income (DFI) to examine and prepare the blueprint considering all the issues and challenges relating to DFI. The Committee identified seven sources to double farmers' income by 2022 which include—



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Towards Doubling Farmers Income

PM's Development Package for Horticulture extended to UTs of J&K and Ladakh up to 31st March 2022

Increase in farmers' income & **generation of 44 lakh man days employment**

Pradhan Mantri Fasal Bima Yojana and Restructured Weather Based Crop Insurance Scheme modified to cut the risk in agriculture and stabilise farm income

10,000 new Farmer Producer Organisations promoted under "One District One Product" cluster

i) Within the Domain of Agriculture
   a) Improvement in crop productivity;
   b) Improvement in livestock productivity;
   c) Efficiency in the use of resources/ savings in the cost of production;
   d) Increase in the cropping intensity;
   e) Diversification towards high value crops; and
   f) Improvement in real prices received by farmers.

ii) Outside the Domain of Agriculture

Shift from farm to non-farm occupations (like backyard poultry; goat rearing; fisheries; dairy; vegetables-fruit, and food processing, etc. which are high value-yielding).

The Government constituted an Empowered Body on January 23rd, 2019 for monitoring the implementation of the recommendations of the DFI Strategy. This whole DFI drive is challenging but it is certainly attainable if (i) development initiatives (ii) technology and (iii) policy reforms in agriculture are focused to achieve increase in the farmers' income. Several steps have already been taken to implement the recommendations of DFI Committee (to double the farmers' income). These include:

a) Advocating progressive market reforms through the State Governments and Union Territories;

b) Supporting contract farming through the State Governments by promulgating of Model Contract Farming Act, Up-gradation of Gramin Haats to work as centers of aggregation and for direct purchase of agricultural commodities from the farmers;

c) Providing e-NAM to farmers which is an electronic online trading platform;

d) Distributing soil health cards to farmers so that the use of fertilizers can be rationalised;

e) Increasing water efficiency through Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)- "Per drop more crop";

f) Better insurance coverage to crops for risk mitigation under Pradhan Mantri Fasal Bima Yojana (PMFBY);

g) Making loans available to farmers at a reduced rate of 4 percent per annum and extending the facility of Kisan Credit Card (KCC) for animal husbandry and fisheries related activities to the farmers;

h) Increase in the Minimum Support Price (MSPs) for all Kharif and Rabi crops; and

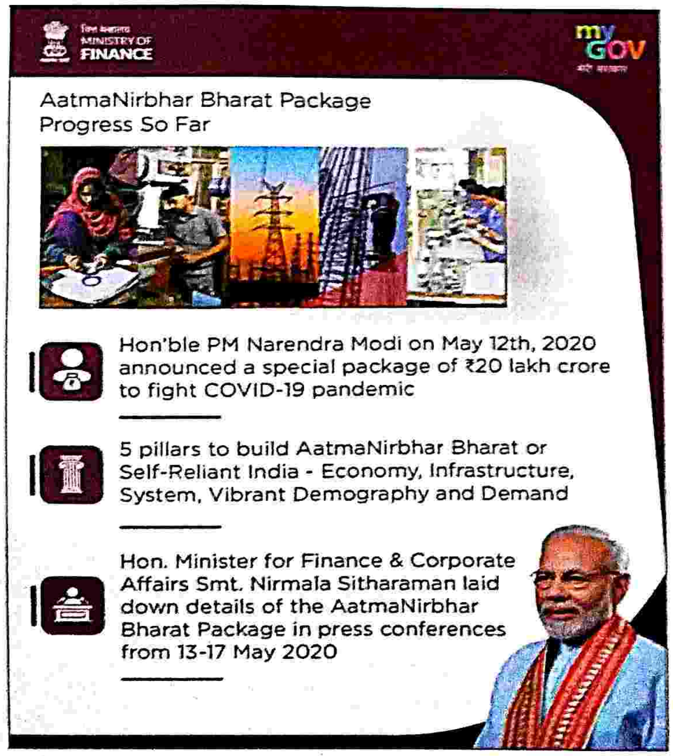
i) Providing old age pension of Rs. 3000 to the eligible small and marginal farmers and cover around 5 crore beneficiaries in the first three years.

The above solutions have been a major boost for farmers' income. Besides, the government took yet another initiative to amend the Essential Commodities Act to remove commodities like cereals, pulses, oilseeds, edible oils, onion and potatoes from the list of essential commodities. This historic decision will not only transform the farm sector but also help in raising farmers' income.

> **"When India speaks of becoming self-reliant, it doesn't advocate a self-centered system. In India's self-reliance; there is a concern for the whole world's happiness, cooperation and peace."- Prime Minister, Shri Narendra Modi**

Aatmanirbhar Bharat Abhiyaan

Much before the launch of Aatmanirbhar Bharat Abhiyaan, the government had strategically planned and implemented Doubling Farmers' Income by setting a target of 2022. This DFI drive got further support when the Prime Minister, Shri Narendra Modi launched the Rs. 20 lakh crore economic package under the Aatmanirbhar Bharat Abhiyaan. It is one of the significant moments in the history of Indian economy where the government is committed to developing a self-reliant India and this, in turn, shall result in uplifting the rural economic.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AatmaNirbhar Bharat Package Progress So Far

Hon'ble PM Narendra Modi on May 12th, 2020 announced a special package of ₹20 lakh crore to fight COVID-19 pandemic

5 pillars to build AatmaNirbhar Bharat or Self-Reliant India - Economy, Infrastructure, System, Vibrant Demography and Demand

Hon. Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman laid down details of the AatmaNirbhar Bharat Package in press conferences from 13-17 May 2020

The concept of Aatmanirbhar Bharat Abhiyaan was integrated with the announcement of the economic package to tackle the coronavirus pandemic on 12th May 2020. The policy initiatives of the mission were announced by the Finance Minister in five tranches from 13th May to 17th May, 2020. Under the mission, special provisions have been made for the poor, including migrants and farmers. Some of these are listed as under:

a) 25 lakh new Kisan Credit Cards sanctioned with a loan limit of Rs.25000 crore. It will, in turn, incentivise the rural farmers to continue their farming without being affected by the pandemic;

b) Approximately 63 lakh loans of worth Rs.86,600 crore approved in agriculture between March, 2020 to April, 2020;

c) Further, the support of Rs.4,200 crore is also provided under Rural Infrastructure Development Fund to states during March, 2020 for rural infrastructure;

d) The government has also announced Rs.3 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS) especially for the Micro, Small and Medium Enterprises (MSMEs) to come out of the stress created by the pandemic. Through this scheme, loans will be sanctioned by 12 public sector banks and 16 private sector banks to the MSME borrowers.

e) Along with that, various benefits have also been given under the MUDRA scheme. Rs.1500 crore Shishu loan shall be provided along with interest discount of 2 percent for fast recipients for a period of 12 months. This move will encourage the entrepreneurs to invest in the Shishu industries.

f) MGNREGA has emerged as an efficient tool to fight the unemployment crisis especially in rural sector. Recently, the wage rate under MGNREGA has been increased to Rs. 202 (from Rs.182). This will benefit approximately 13.62

crore families. Awareness drives are being undertaken to enroll returning migrants under MGNREGA;

g) Moreover, free food grain supply (5 kg of grains per person and 1 kg Chana per family per month) is also being provided to the migrants. The free food grain supply is also extended to the existing beneficiaries of Pradhan Mantri Garib Kalyan Ann Yojana in addition to their existing entitlements. Migrant workers are seriously affected by the outbreak of novel Corona Virus as majority of them were forced to go back to their native places without any certainty about the source of income to meet their needs. Keeping this under consideration, Government of India has made provision for migrant workers to access the Public Distribution System (PDS) through One Nation One Card scheme;

h) Through Pradhan Mantri Kisan Yojana, Rs.2000 has been transferred directly to the 8.7 crore farmers. This move will provide a good amount of financial support to the rural farmers;

i) Another point that has been the main focus of the current government is 'Vocal for Local'. Finance Minister Smt. Nirmala Sitharaman, in her policy briefing, stated that the locally available product will be given importance in order to promote the rural economy. Rs.10000 crore has been assigned to the unorganised food processing industries in this context. Therefore, it is a good initiative to develop rural economy and thus improve the income of the farmers.

Majority of the people, especially in the rural economy, will be benefitted from these schemes and will help Indian economy to be self-reliant without being a protectionist state. With this self-reliant drive, the government is also committed to reboot the rural economy in a sustainable way.

Government Schemes in Sync with the Aatmanirbhar Bharat Abhiyaan

It is important to note that way before the pandemic hit India, Ministry of Rural Development had planned and announced in November 2019 about its target plans to achieve rural employability, skill development, settlement, disbursement of bank loans to the farmers/ farm workers, etc. This is a clear indication of how the government is planning and executing the work to boost the rural economy in a more systematic and strategic way.

Moreover, the following schemes of the government have been helping the farmers to boost their income directly or indirectly. The following schemes are highly relevant to the rural sector to bring reformative changes in the lives of the rural people and also their economic condition:

Coir Udyami Yojana: This is a credit linked subsidy scheme for setting up coir units with project cost upto Rs.10 lakh plus working capital which shall not exceed 25 percent of the project cost.

Skill Upgradation and Mahila Coir Yojana: This Scheme is aimed for the development of domestic and export markets, skill development and training, empowerment of women, employment/ entrepreneurship creation and development, enhanced raw material utilisation, trade related services, welfare activities of the coir workers. Mahila Coir Yojana in particular aims at women empowerment through the provision of spinning equipment at subsidised rates after appropriate skill training.

Government's Plans for Rural Economy - 2019-20 to 2023-24

Financial Year	Candidates to be trained	Candidates who may get Self Employed	Number of Candidates who may get Wage Employment	Total No. of Candidates Settled	No. of Self Employed project to get Bank Loans
2019-20	3,90,000	2,35,000	38,000	2,73,000	1,17,500
2020-21	4,29,000	2,60,000	40,300	3,00,300	1,30,000
2021-22	4,71,000	2,86,700	43,000	3,29,700	1,43,350
2022-23	5,18,000	3,15,000	47,600	3,62,600	1,57,500
2023-24	5,69,000	3,42,000	56,300	3,98,300	1,71,000

Source: Ministry of Rural Development, Vision Document 2019-2024

Prime Minister's Employment Generation Programme: This scheme is a composition of two schemes viz. Prime Minister's Rojgar Yojana and Rural Employment Generation Program. It is a credit-linked subsidy programme that aims at generating employment opportunities through establishment of micro enterprises in rural as well as urban areas.

Pradhan Mantri Awas Yojana- Gramin: The Pradhan Mantri Awas Yojana- Gramin (PMAY-G) has been devised in line with Government's commitment to provide 'Housing for All' by 2022 in the rural areas. The scheme aims at providing a pucca house with basic amenities to all houseless householder living in kutcha and dilapidated houses by 2022.

Deen Dayal Antyodaya Yojana: The scheme is designed with an aim to uplift the urban poor by enhancing sustainable livelihood opportunities through skill development. The scheme is an integration of the National Urban Livelihoods Mission (NULM) and National Rural Livelihood Mission (NRLM). The scheme entails providing shelter equipped with essential services to the urban homeless in a phased manner.

UJALA 2019: The Unnat Jyoti by Affordable LEDs for All was launched in 2015 with a target of replacing Rs. 77 crore incandescent lamps with LED bulbs. The objective is to promote efficient lighting, enhance awareness on using efficient equipment that will reduce electricity bills and preserve the environment. Every grid-connected consumer having a metered connection from their respective Electricity Distribution Company can get LED bulbs at about 40 percent of the market price under the Ujala scheme.

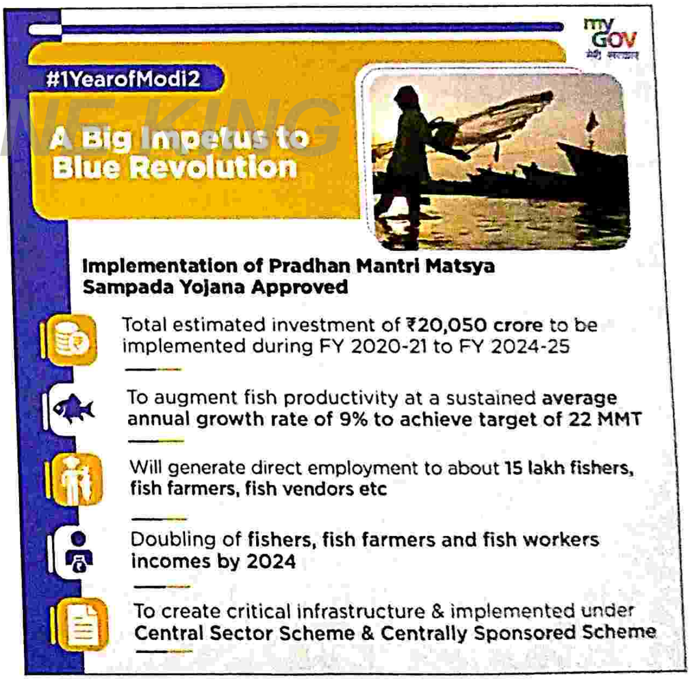
Pradhan Mantri Kaushal Vikas Yojana: It is the flagship scheme of the Ministry of Skill Development and Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youth, both rural and urban, to take up industry-relevant skill training that will help them in securing a better livelihood. Under this Scheme, Training and Assessment fees are completely paid by the Government. The scheme has been approved for another four years (2016-2020) to benefit 10 million youth.

Ayushman Bharat: This scheme is the world's biggest health scheme which aims to provide health coverage to over 100 million poor and vulnerable families of about USD 8,500 for hospitalisation per family per year. This will immensely help the farmers to get covered under insurance scheme.

Fund for Upgradation and Regeneration of Traditional Industries' (SFURTI): Under this Scheme Common Facility Centres (CFCs) are to be set up to facilitate cluster-based development during 2019-20 with special focus on bamboo, honey and khadi. This will help boost the livelihood of the rural work force.

Promotion of Innovation, Rural Industry and Entrepreneurship: Under this scheme, Livelihood Business Incubators (LBIs) and Technology Business Incubators (TBIs) were set up in 2019-20 to develop 75,000 entrepreneurs in agro-rural industry sectors. This will encourage entrepreneurship in the rural areas.

Pradhan Mantri Matsya Sampada Yojana (PMMSY): This aims to enhance fish production to 220 LMT with an investment of over Rs.20,000 crore in next five years. It will also help in the robust fisheries management framework including modernization, productivity, quality control, etc.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A Big Impetus to Blue Revolution

Implementation of Pradhan Mantri Matsya Sampada Yojana Approved

- Total estimated investment of ₹**20,050 crore** to be implemented during FY 2020-21 to FY 2024-25
- To augment fish productivity at a sustained **average annual growth rate of 9% to achieve target of 22 MMT**
- Will generate direct employment to about **15 lakh fishers, fish farmers, fish vendors etc**
- **Doubling of fishers, fish farmers and fish workers incomes by 2024**
- To create critical infrastructure & implemented under **Central Sector Scheme & Centrally Sponsored Scheme**

Way Ahead

Despite the substantial rise of urbanisation, nearly more than half of India's population is projected to be rural by 2050. Therefore, boosting rural economy is a key to overall growth and inclusive development of the country. The government is revamping its strategies to ensure the productivity of the schemes enabling the nation to realise the outcome of Aatmanirbhar Bharat Mission. Some of the crucial areas which require immediate reforms include:

a) Streamlining the MGNREGA so as to provide maximum benefit to the poor by avoiding any sort of mismanagement in implementation and execution. With government's emphasis on Aadhar-linked Direct Benefit Transfers (DBT) through Jan Dhan bank accounts, the mismanagement has been largely taken care of;

b) Grooming and promoting youth as Entrepreneurs or Self-employed (YSE), who are linked to local livelihood eco-systems;

c) Promoting backyard poultry and goat rearing with provisions for improvement on sheds, vaccines and other support;

d) Encouraging Farmer Producer Organisation (FPOs) to support Small and Marginal Farmers (SMFs);

e) Working with farmers towards a new paradigm by shifting from intensive chemical-based agriculture to adopting sustainable eco-friendly agriculture practices;

f) Connecting villages physically and digitally is essential for village enterprise to prosper. In this case, the roads/highways will improve the last-mile delivery of relief and welfare programmes;

g) Development of cluster-based specialised farming, promotion of organic farming, support for farmers' organisations, extension of farmer credit to fisheries and animal husbandry farmers;

h) Livestock, fisheries, dairy, vegetables, fruit and food processing are more labor-intensive and high value-yielding. After many decades of neglect in research and development, lack of market access, on-off policies for exports, and market distortions, the present adversity may be a timely opportunity for this sector. The government is focusing on this through its schemes concerning the rural development.

Conclusion

To sum up, the success of India's economy is strongly rooted in the rural areas. As the Prime Minister rightly said that India doesn't advocate a self-centered system by becoming self-reliant, but in India's self-reliance there is a concern for the whole world's happiness, cooperation and peace. Today, rural India is the growth engine not just for fast moving consumer goods, but also durables, two-wheelers, farm equipment, construction and many other sectors. So, without uplifting the rural economy first, the rest of India will not pick up momentum that easily. Therefore, revisiting the rural segment with strategic financial plans is inevitable.

The government is moving in the right direction to bring reformative changes in the economy to reap rich economic dividends in the days to come. To achieve doubling the farmers' income by 2022, it is also the equal responsibility of the States and Union Territories to collectively work on achieving the targets set by the government. This collective effort will ultimately help the farmers to increase their income, and if our farmers progress, the country will certainly progress. If it happens so, the words of Mahatma Gandhi, "The future of India lies in its villages", will become reality.

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Agriculture Pivotal to Economic Revival

Dr. R.C. Srivastava

India, being largely an agricultural economy, has to focus on rural areas that have immense potential to reboot and revive the economy. Today, the entire nation is poised towards Aatmanirbhar Bharat. Indeed, it is a good opportunity to give direction to our efforts by rebooting our agricultural sector, which has the tremendous potential to achieve the goal of creating a powerful economy and to lead the world with this example.

The United Nations has projected shrinkage of the global economy by one percent in 2020 in contrary to the previous forecast of 2.5 percent growth. Worldwide, millions of workers and professionals are facing the bleak prospect of losing their jobs. The economic scenario is not much different in India due to the challenges posed by COVID-19 pandemic. To avert a sharp economic downturn, the Indian government has already started considering new ways to revamp the economy. India, being largely an agricultural economy, has to focus on rural areas that have immense potential to reboot and revive the economy.

Agriculture Role in the Indian Economy

The agriculture sector contributes to 265 billion dollars which is 17 percent of GDP and employs ~60-70 percent of the Indian population (directly or indirectly). The country houses nearly 1/4th of the world's farmers and contains ~48 percent of the world's arable land. Currently, India is the world's top producer of pulses, milk; 2nd largest producer of wheat, rice, vegetables, fruits and the 3rd largest producer of food-grains. While the country has made significant progress in many off-farm sectors like the service and industrial-production, agriculture continues to be the main lifeline, especially for the 68.84 percent Indians living in rural areas.

According to NITI Aayog, the agriculture sector is a silver lining for current Indian economy and is supposed to grow at the rate of three percent in the fiscal year 2020-21, and is currently growing 60 percent more than the non-agriculture sector and is estimated at 40-60 percent higher than the last year. Its share in the economy of India is around 17

percent, which is much higher when compared to the manufacturing sector. As the market is intact and prices have not crashed, it is expected to boost the Indian economy further.

Need for Talking about the Economy

The complete closure of urban and semi-urban based industries, manufacturing and construction unit and agricultural activity in rural areas due to the current pandemic has affected country's economy in many unprecedented ways. The situation made everyone to think about the past lapses and how to reshape the world.

Today, the entire nation is poised towards Aatmanirbhar Bharat. Indeed, it is a good opportunity to give direction to our efforts by rebooting our agricultural sector, which has the tremendous potential to achieve the goal of creating a powerful economy and to lead the world with this example. The challenge is for everyone to harness the untapped potential of our villages, our roots, the ingenious science and the diversity we are bestowed upon.

The rural economy needs a rapid transformation to become economically viable and to further reduce the rural-urban migration. The villages need to be reshaped as a pivot of economic growth in order to reduce undue pressure on the cities and to act as a savior in crisis.

India's Position in the World Economy

We are at an opportune time to tap the world food market as a supplier. For this to happen and to meet the global standards, we need to massively upgrade our agricultural infrastructure and available technologies. Although we may not immediately become big exporters of paddy or pulses, we should attempt to move in that direction.

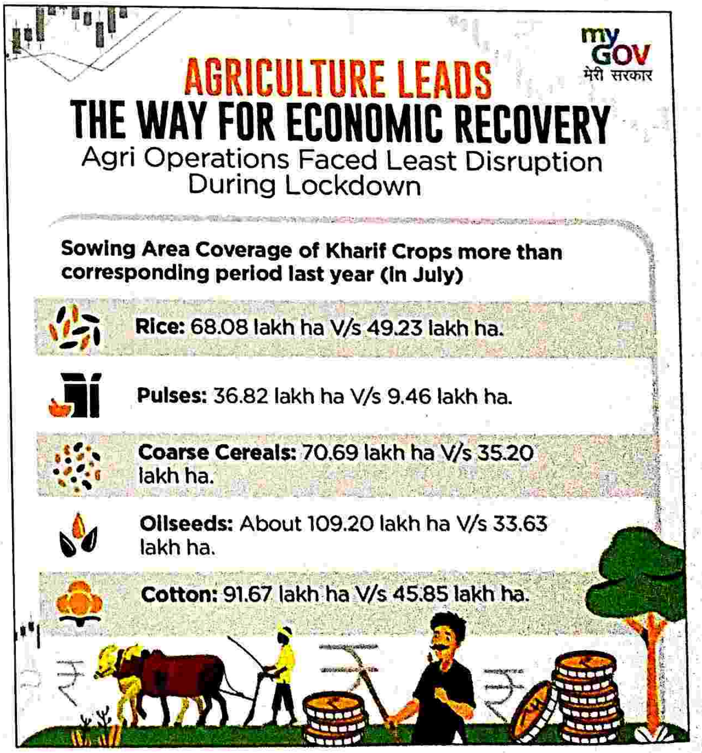
In the past, the biggest roadblock to exports has been at the policy level and the food shortage mindset; but now farmers are ready to take on the world market with newly introduced initiatives and policy reforms. Given that domestic demand may be curtailed for a few year till employment and income normalises, we have to inspire the agriculture sector to make investments and enhance productivity. It is right time for its high graded entry into the world market. The first and foremost requirement is to accept the role the agriculture can play in revitalising the economy in the years to come.

India's Perspective of Rural Economy

According to the Agriculture Ministry, for the fiscal year 2020-21, the food grain production target for India is set at 298.3 million tonnes, compared to 291.95 million tonnes in 2019-20 and 285.20 million tonnes in 2018-19. There was no scarcity of milk, essential food grains or vegetables during the pandemic related lockdown and the milk supply-chain was also fully operational. The role of rural economy in our country is not a new agenda. We have always had the agenda to build and develop rural communities and rural India at the forefront. However, with the gradual revival of industries and businesses in urban areas in view of the pandemic, as compared to rural India where recovery is also fast; the business ecosystem needs to move to a safer and prolific domain. As we navigate through this crisis, a rural revolution can pave the way to a sustainable future.

Reverse Migration Scenario

The country is facing the twin challenges of preventing the spread of disease in the short run and accommodating a large number of migrants in the rural economy in a productive manner. We need a long-term measure to use this large number of migrant returnees as they might not return to cities anytime soon due to the pandemic situation. Short term measures will not help generate big gains in the long run. Thus, to fully leverage the



AGRICULTURE LEADS
THE WAY FOR ECONOMIC RECOVERY
Agri Operations Faced Least Disruption During Lockdown

Sowing Area Coverage of Kharif Crops more than corresponding period last year (In July)

Rice: 68.08 lakh ha V/s 49.23 lakh ha.

Pulses: 36.82 lakh ha V/s 9.46 lakh ha.

Coarse Cereals: 70.69 lakh ha V/s 35.20 lakh ha.

Oilseeds: About 109.20 lakh ha V/s 33.63 lakh ha.

Cotton: 91.67 lakh ha V/s 45.85 lakh ha.

potential of the agricultural sector and reboot our robust rural economy, we need to upscale our farmers- real people who working hard to provide the food on everyone's plate.

Concerns and Issues

Home-returning of immigrant laborers due to COVID-19 has become a major challenge for our State's economy, social fabric and general law & order. Since the number of such laborers is huge, providing them employment based on their skills is the next evident step. If we use this challenge as a creative opportunity to enhance our agri-based economy, there are immense possibilities of progress.

Dr. Rajendra Prasad Central Agricultural University, Pusa (RPCAU), has developed multifold agro-based technologies that can enable these returning laborers and provide them with skill-based jobs. Although accommodating these migrant returnees and employing them in a short duration is a challenging task, the government's initiatives can play an important role in the integration of this migrant labor in the rural economy.

We are sure to see agriculture sector emerge as a major player in ensuring livelihood and availability of food grains for the entire year as other avenues of income are likely to be disrupted due to this menace. Thus, strengthening of farm sectors shall pave the way for decent livelihood, food and nutritional security.

Obstacles during Crisis

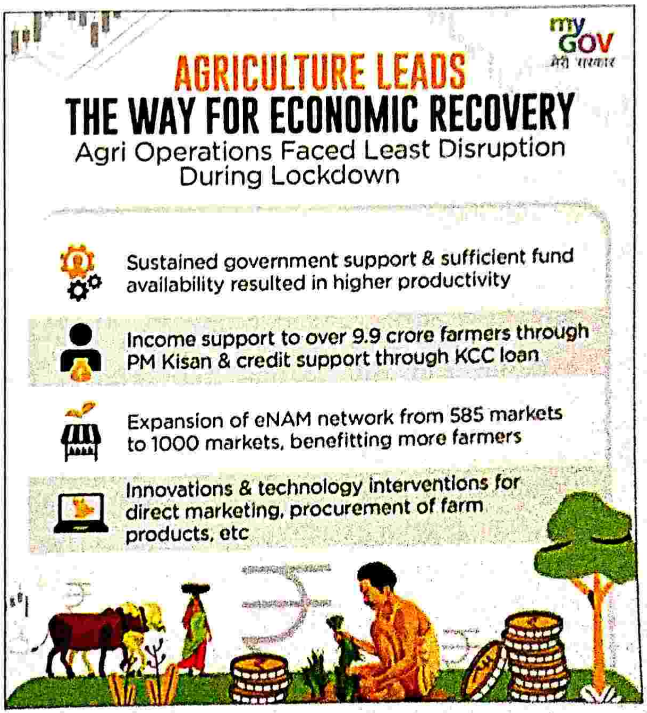
COVID-19 underlined the gaps in our food system in the light of the pandemic i.e. disruptions in the food supply chain, reduction in labor forces, rising prices of staples hitting lower-income communities, supply shock, production slowdown and subdued demand. The vulnerability of our modern food systems to climate disruptions is a widely known fact. We need to make farming more viable for small land holders by creating a climate-resilient low-cost farming system and drive our own Agri-market with robust demand and expanding export.

Sabka Sath Sabka Vikas

The government organisations and private industries are working hard to fill the existing gap for the proper transformation in the agriculture sector and to shift it from traditional to new farming style. Redefining the research agenda as per local needs and increasing public-private partnerships for market-driven research is in progress. To make the food system sustainable and resilient with timely information and to bridge the rural-urban gap and making agriculture attractive to the next generation with more employability needs new skill sets. We are moving from food security to nutrition and health security and growth to efficiency with the market-based high-quality research and new policies, regulations, and reforms. The Agri-entrepreneurship and Agri-business development is already getting due attention. Some of the suggestive measures that could be implemented are being discussed below.

The Way Forward

The most fundamental step that needs to be taken during this slowdown to leverage the potential of the agriculture sector is to make the farming sector economically viable in the coming months. This is an opportunity to promote rural reform through better infrastructure and policy to absorb more workforce. The policy framework needs to be more supportive to agriculture. Developing skills amongst low-income farmers in modern farming and other agricultural activities is a right move towards self-sufficiency in domestic

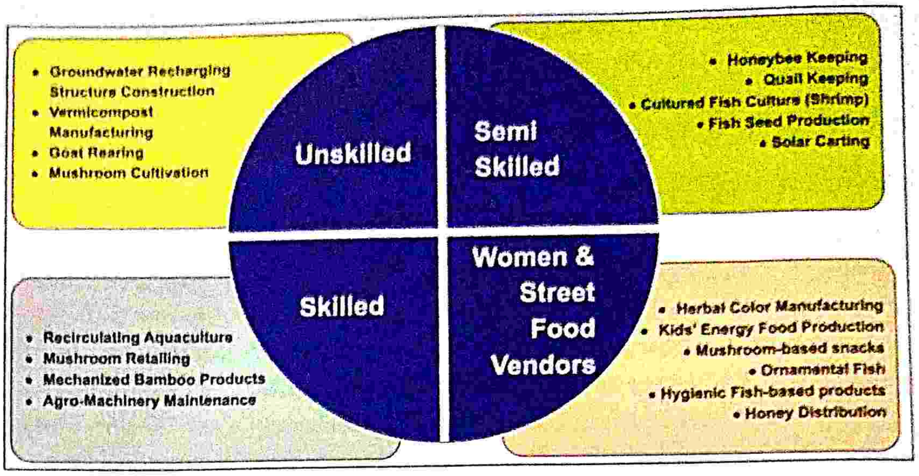


AGRICULTURE LEADS
THE WAY FOR ECONOMIC RECOVERY

Agri Operations Faced Least Disruption During Lockdown

- Sustained government support & sufficient fund availability resulted in higher productivity
- Income support to over 9.9 crore farmers through PM Kisan & credit support through KCC loan
- Expansion of eNAM network from 585 markets to 1000 markets, benefitting more farmers
- Innovations & technology interventions for direct marketing, procurement of farm products, etc

food production and must be at the center of a plan for a sustainable recovery. Despite many new intensifications, modernisation, improvement in irrigation and farming technology, the arable land is just not growing to its potential. What we need is a package of policy support to ensure that these enterprises can achieve their full potential as units of production, employment and income.


• Groundwater Recharging Structure Construction
• Vermicompost Manufacturing
• Goat Rearing
• Mushroom Cultivation
Unskilled
Semi Skilled
• Honeybee Keeping
• Quail Keeping
• Cultured Fish Culture (Shrimp)
• Fish Seed Production
• Solar Carting
Skilled
• Recirculating Aquaculture
• Mushroom Retailing
• Mechanized Bamboo Products
• Agro-Machinery Maintenance
Women & Street Food Vendors
• Herbal Color Manufacturing
• Kids' Energy Food Production
• Mushroom-based snacks
• Ornamental Fish
• Hygienic Fish-based products
• Honey Distribution

The need of the hour is to reskill these laborers depending on their existing skillsets, experience and education. The worker must be trained in the new priorities area and we must value their potential. We can broadly categorise them in four types (see Graphic-1):

1. Unskilled (willing to work hard)
2. Semi-skilled (not always ready to work as a labor)
3. Skilled (in some specific areas)
4. Women worker (housewife and involved as household help) and persons involved in street food vending

A. Role of RPCAU, Pusa

Some special training for Re-skilling through technologies developed at RPCAU, Pusa are:

- Household waste-management and other wastes for organic manures.
- Rearing of fast-growing Boar breed of Goat.
- Mushroom cultivation, production and processing.
- Culturing of fish wherever good water depth is available.
- Use of University's developed solar cart for hygienic sale and keeping the product for longer using solar energy.
- Re-circulating aquaculture in lesser space.
- Wealth from waste like produce from banana, bamboo, pigeon pea stems etc.
- Skill development, technical know-how and maintenance work training.
- Empowering women in small know-how like Herbal Gulal making, Energy food preparation, value addition like mushroom processing, making Samosa, ladoo, snacks pickles etc., Ornamental fish culture and Honey production.

B. Initiatives in Rural Areas

- Building of Water harvesting structures
- Plantations of tress
- Land development activities
- Effective use of barren land
- Migrant as Agri-entrepreneurs, Returnee migrants can be trained as a resource person for farm and non-farm livelihoods.
- Capacity building for farmers
- Creation of cold storage facilities
- Building more farmers organisation through community mobilisation
- Diversification of livelihoods
- Exploring the non- traditional method for income generation and which can fulfill the nutritional needs of the farmers.
- Backyard poultry and goat rearing as new options for generating additional income and support should be provided to scale it.
- Creating assets under MGNREGA to ensure water availability.
- Creation of employment and large scale assets that can improve productivity and ensure prosperity in villages for the years ahead.
- Possible skill-based activities for agriculture promotion
- Small scale agricultural equipment construction
- Organic manure preparation

- Agri-entrepreneurship and technical skill development
- Value addition
- Cash crop production
- Skill-based jobs

C. Increasing Role of Women in Farming

The role of women farmers is extremely important in the farming as their male counterparts moved to urban areas and started doing other jobs. Today women share over 40 percent of the agricultural workforce in India. The increasing proportion of women farmers also reflects that rural agriculture, to a large extent, depends on women's participation. However, only less than 10 percent of India's land is owned by women and still, their access over resources remains very low as compared to their male counterparts and it right time to eliminate the gender inequalities for a better outcome at the farm level. The women farmers need recognition and rewards to boost their morale and to become a role models so as to influence and motivate other female farmers too.

D. Promoting Farmer's led Organisations

The agriculture sector in India is mainly hampered by high transaction costs and low access to credit and agricultural produce markets. Hence there is need is to reduce the importance of middlemen trading and let farmers do direct marketing of their produce. This will surely scale up investment in agriculture with improved price realisation. One potential solution is the formation of Farmers Organisations and promoting group or cluster farming through them to reap the real benefit of rural India.

E. Contingent Crop Planning

To make agriculture more profitable and sustainable, we need to develop crop plans based on different Agro-climatic and Agro-ecological zones. A contingent crop plan, well in advance for the main cropping season, helps farmers to prepare for weather uncertainties during the particular year. To better enable farmers to respond just-in-time to climate variations and to minimise the risks, local automated weather stations at optimal distances will help generate locale-specific crop-weather advisories. There is a need to come up with strategies to educate the marginal and small holder farmers about the resources available to them and the way forward, if there is any loss of crops due to climate.

F. Agri or Social- Entrepreneurship and Technical Skill Development

Now is the right time to tap the pool of progressive youth in the community to build a culture of vibrant entrepreneurship in these areas to reboot the rural economy. There is need is to provide them proper conditions and bringing them together, as some of the migrants are comfortable with technology and are educated enough. Hence, they are required to be trained further to enable their maximum contribution in rural livelihood.

G. Government's Initiatives during Lockdown

To boost rural economy and to directly benefit the farmers, many platforms have been launched for agricultural commodities' transportation and movements of perishables during the lockdown like e-NAM, Kisan-Rath app, and an All-India Agri-Transport Call-Centre. Also, Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme has enabled to direct cash transfer for the rural economy to thrive in the coming days.

Conclusion

In the current challenging scenario, utilitarian values of returning migrant workers have been manifold enhanced. These "background heroes" of rural India are the growth engine and can act as a savior, at this juncture, if equipped with apt tools and techniques. Time is ripe to give momentum to the "Back to village" slogan in the post-COVID-19 India. Quite poetically, this crisis has forced us to truly understand the importance of food on the plate and the whole agriculture workforce working tirelessly to make it happen for general mass. This is the most opportune time to reshape our country, our economy and the villages and to build a sustainable and resilient society using the prescribed tools of rural reengineering as listed above.

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Doubling Farmers' Income

Vikas Jakhar

India has been an agriculture based economy. Doubling real income of farmers till 2022-23 over the base year of 2015-16, requires annual growth of 10.41 percent in farmers' income. The key contributors towards this goal would be sustainable agricultural growth and accelerating the rate of growth of farm income. This task though challenging in nature is being realised with a balanced combination of policy reforms and technology integration.

India today is not only self-sufficient in respect of demand for food, but is also a net exporter of agri-products occupying seventh position globally. It is one of the top producers of cereals (wheat & rice), pulses, fruits, vegetables, milk, meat and marine fish. The impressive agricultural growth and gains, since 1947, are an outcome of the farmers' resilience to multiple challenges and to their grit and determination to serve and secure the nation's demand for food and raw material for its agro-industries.

However, economic indicators do not show equitable and egalitarian growth in income of the farmers. The human factor behind agriculture - the farmers, remained in frequent distress, despite higher productivity and production. It is in this context, that the Prime Minister Shri Narendra Modi shared the vision of doubling farmers' income with the nation at his Bareilly address on 28th February, 2016. Further, recognising the urgent need for a quick and time-bound transformation of the vision into reality, a time frame of six years (2016-17 to 2022-23) was delineated as the period for implementation of a new strategy[1] and a committee was constituted on doubling farmers' income (DFI), headed by Ashok Dalwai, the CEO of Rainfed Area Authority in April 2016 to recommend measures required to fulfil the target.[2]

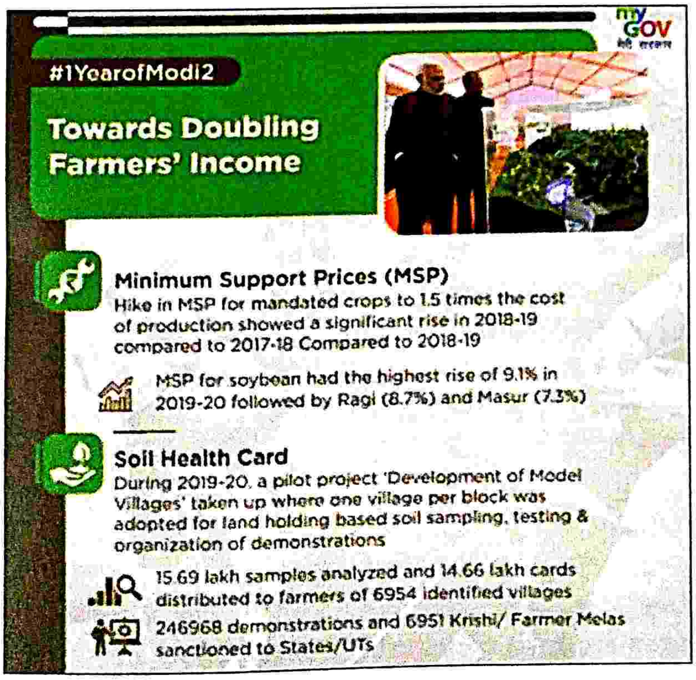
Need for Doubling of Income

India has been an agriculture based economy. Though the percentage of population dependent on agriculture declined to 48 percent in 2011, from

85 percent in 1951, yet if seen in terms of absolute numbers, a sizable population is still dependent on agriculture for its livelihood[3]. Past strategy for development of the agriculture sector in the country has focused primarily on raising agricultural output and improving food security. The strategy paid dividends as the country was able to address the severe food shortage that emerged during the mid-1960s.

The strategy did not explicitly recognise the need to raise farmers' income and did not mention any direct measure to promote farmers' welfare. The net result has been that farmers' income remained low, which is evident from the incidence of poverty among farm households. The NSSO data on Consumption Expenditure Survey for year 2011-12 reveals that more than one fifth of rural households, with self-employment in agriculture as their principal occupation, were having income less than the poverty line[4].

Low level of absolute income as well as large and deteriorating disparity between income of a farmer and non-agricultural worker, constitute an important reason for the emergence of agrarian distress in the country during the 1990s. Large tracts of arable land have turned problem soils, becoming acidic, alkaline and saline physico-chemically. Another primary factor of production, namely water is also under stress. Climate change is beginning to challenge the farmer's ability to adopt coping and adaptation measures that are warranted. Technology fatigue is manifesting in the form of yield plateaus. India's yield averages, for most crops, do not compare favourably at global level. The costs of cultivation are rising. The magnitude of food loss and food waste is alarming. The markets do not assure the farmer of remunerative returns on his produce.



#1YearofModi2

Towards Doubling Farmers' Income

Minimum Support Prices (MSP)
Hike in MSP for mandated crops to 1.5 times the cost of production showed a significant rise in 2018-19 compared to 2017-18 Compared to 2018-19

MSP for soybean had the highest rise of 9.1% in 2019-20 followed by Ragi (8.7%) and Masur (7.3%)

Soil Health Card
During 2019-20, a pilot project 'Development of Model Villages' taken up where one village per block was adopted for land holding based soil sampling, testing & organization of demonstrations

15.69 lakh samples analyzed and 14.66 lakh cards distributed to farmers of 6954 identified villages

246968 demonstrations and 6951 Krishi/ Farmer Melas sanctioned to States/UTs

The low and fluctuating farm income is causing detrimental effect on the interest in farming and farm investments, and is also forcing more and more cultivators, particularly younger age group to leave farming. This can cause serious effect on the future of agriculture in the country. In light of the above, the mission for doubling farmers income is not merely an initiative for welfare of a section of the population, but is a categorical imperative for ensuring the food security of the nation.

Strategies Towards Doubling of Income

Doubling real income of farmers till 2022-23 over the base year of 2015-16, requires annual growth of 10.41 percent in farmers' income[5]. This implies that the on-going and previously achieved rate of growth in farm income has to be sharply accelerated. Therefore, pragmatic measures will be needed to harness all possible sources of growth in farmers' income within as well as outside the agriculture sector. The strategies to boost income of farmers can be divided under the following heads:

- Reducing the cost of inputs
- Increasing the sale value of the crops
- Crop Diversification
- Increasing the productivity
- Sustainable agricultural intensification
- Augmenting agriculture income with allied activities
- Decreasing the per-capita dependence on agriculture

A. Reducing the Cost of Inputs in Agriculture

Irrigation, seeds, labour, fertilisers, pesticides, machinery and extension services constitute the factors of production in agriculture. The most basic strategies to double farmers' income are going to be those which decrease the cost of production. Micro-irrigation along with the nutrients application can be highly efficient and priority should be given to empower farmers with micro irrigation.

In Budget 2016, Rs. 5,717 crore was allocated under Pradhan Mantri Krishi Sinchayee Yojana, of which Rs. 2,340 crore has been allocated to micro-irrigation[6]. Other than the Central Government, some State Governments have embraced micro-irrigation. The Maharashtra Government has made it mandatory for all sugarcane producers to switch to drip irrigation by 2017. If not complied with, their produce would not be taken for crushing. Similarly, the Tamil Nadu government is also endorsing micro-irrigation through 100 percent subsidy to farmers opting for the micro-irrigation system[7].

Achievement of doubling of income of farmers would also require adequate compensation for possible farm losses. With more than three decades of learning, the current government launched a new crop insurance policy Pradhan Mantri Fasal Bima Yojana (PMFBY) in January 2016. The scheme includes comprehensive risk insurance from sowing to harvesting mainly to cover yield losses due to non-preventable risks like drought, dry spells, flood, inundation and pests. It intends to increase crop insurance penetration from the current 25 percent to 50 percent in 2018 by increasing Central Governments allocation from Rs. 3,100 crore in Financial Year 2015 to Rs. 8,800 crore in Financial Year 2018[8]. The government would be adopting an innovative technology, especially smart phones for capturing and uploading data directly from the farmer's field. This would help in completing the settlement process in time.

B. Increasing the Sale Value of the Crops

Sale value of crops can be improved by shifting to high value varieties, reducing post harvest losses, improving post-harvest management and marketing reforms. One way to increase the sale value of the farm produce is to expand the area under High Value Crops (HVC), as it has been found that expanding HVC by one hectare at the expense of staple crops, yields an additional "gross returns up to Rs. 1,01,608 per hectare"[9]. There is also a need for strengthening of Organic Food Programme in India to contribute to the global 60 billion US dollar market for organic products[10]. Many parts of India such as North-Eastern Region, Himachal Pradesh, Jammu and Kashmir, Uttarakhand, Madhya Pradesh, Chhatisgarh, Jharkhand, which are organic by default, must be made organic by process for the producers to get advantage of market value.

An efficient post-harvest management, comprising aggregation, preparatory activities and pre-conditioning, refrigerated transportation and other cold-chain/agri-logistics, not only reduces the proportion of agricultural produce, especially perishables that are otherwise discarded, but also aids in expanding the size of the market. The government launched the electronic National Agriculture Market (e-NAM), mainly to bring the existing Agriculture Produce Market Committees on a common nationwide platform to facilitate trading in agricultural commodities. The main purpose of the e-national agriculture market (which connects agri-markets in 29 states/585 stations) is to purge licensing and taxation obstacles and enhance farmer's suppressed return. The e-NAM will empower farmers of each corner of the country. It is also to be ensured that all farmers get to know about the selling of their commodities through e-NAM system and what are the benefits of using it.

C. Crop Diversification

Crop diversification refers to the addition of new crops or cropping systems to agricultural production on a particular farm taking into account the different returns from value added crops with complementary marketing opportunities. Private and public investments should be prioritised to facilitate crop diversification towards horticulture, infrastructure development viz. storage houses, greenhouses and micro-irrigation, and promotion of new culture for fruits and vegetables. Diversification of agriculture in the First Green Revolution areas such as Punjab, Haryana and Western Uttar Pradesh seems need of the hour. Crops like maize, soybean, pulses, oilseeds, fruits and vegetables have the potential to replace rice and wheat in this area. Upward push in MSP in favour of proposed diversification crops will be a practical option to achieve this objective.

Currently, diversification towards high value crops (HVCs) offers a great scope to improve farmers income. The staple crops (cereals, pulses, oilseeds) occupy 77 percent of the total or gross cropped area (GSA) but contribute only 41 percent of total output of the crop sector[11]. Interestingly, almost same value of output was contributed by HVCs (Fruits, Vegetables, Fibre, Condiments and Spices and Sugarcane), which just occupy 19 percent of gross cropped area during 2013-14[12].

The agroforestry system is recognised as an important integrated farming practice to fulfil the necessity of food, fodder, fuelwood, fibre and timber along with aesthetic and environmental services. This system is supported by the government due to its role in improvement in soil-health, nutrient cycling, carbon sequestration and better economic return to existing cropping systems with less use of natural resources. The fast growing exotic tree species like Poplar (Populus deltoides) and Eucalyptus (Eucalyptus tereticornis) have been introduced at farmers' field to get maximum income from a given land in a short period of time. These tree species proved as economically viable option for crop diversification in the trans-gangetic plains region.

D. Increasing the Productivity of Agriculture

The productivity of several crops is low in the country, and there is a huge scope to raise the productivity to enable doubling the farmers' income. India's farm yields are much lower as compared to other advanced countries. Average per hectare rice production in India is 2.6 tonne compared to 7 tonne in China, 5.1 tonne in Indonesia and 5.6 tonne in Vietnam[13]. Even within the country, there is huge yield variation of different crops among the states e.g. the gap between Punjab and Chhattisgarh in rice yields still exists almost 3 times[14]. Variation in productivity, with the same level of irrigation and low income level of the farmers is due to the lower levels of advance technology being adopted and lack of modernisation of farms.

Income can be increased by adopting conservation agriculture practices which facilitate in reducing the operational costs at various magnitudes. For instance, zero tillage, a conservation agriculture (CA) practice reduces the operational costs by Rs. 2,137/ha, apart from yield enhancement and restricting resource damage at farmers' field. Similarly, rotavator and happy seeder practices results in additional profit to the tune of Rs. 6,138/ha (+8.67 percent) and Rs. 7,500/ha (+9.11 percent), respectively[15]. However, the availability and cost of machine is a concern and if purchased it needs some years to offset the investment. For small and marginal land holders, the use of CA machines can be materialised on custom hiring basis which still will place them under profitable zone.

The use of high-yielding variety and hybrid seeds are very essential for a successful crop production. Seed Replacement Rate (SRR) is directly proportional to productivity of all crops. Therefore, higher the Seed Replacement Ratio, higher will be the production as well as productivity. Due to huge demand supply gap, India suffers from a dismal seed replacement ratio. Currently, only around 15 percent of India's total cropped area is planted with freshly obtained quality seeds every year. Overall huge 85 percent area is sown with farm saved seeds[16]. Without achieving the optimal seed replacement ratio, any efforts to get expected yields will be futile.

E. Sustainable Agricultural Intensification

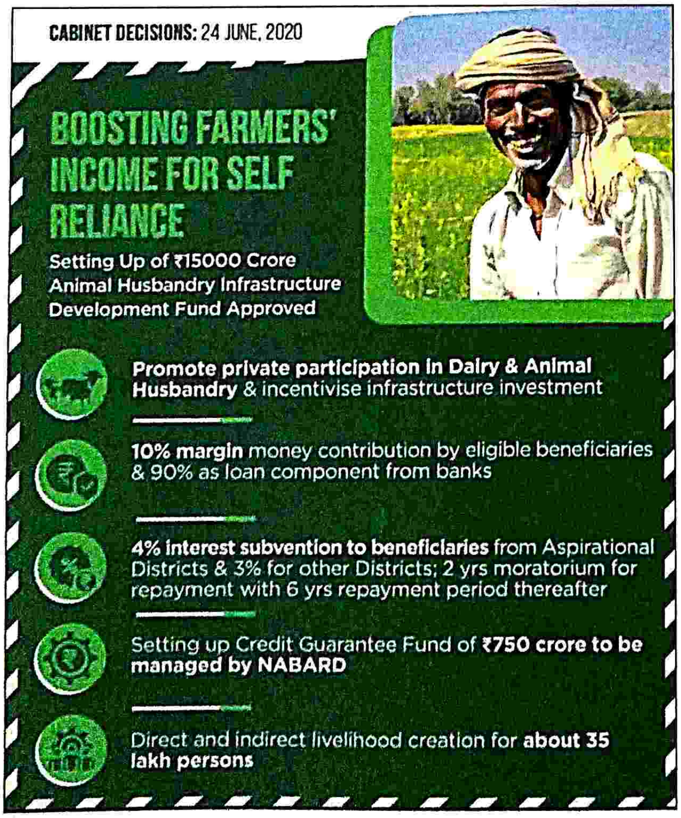
Crop intensification may be achieved by using shorter season varieties, improving on-farm water and soil fertility management (e.g. water harvesting practices, minimum tillage, supplementary irrigation), and introducing rotation crops. Boost to yields can be given by improving the efficiency of water and nutrient use. Water productivity gains will need to be underpinned by sustainable soil fertility. This will necessitate targeted research to develop site specific nutrient management systems, including more efficient use of fertilizers, soil ameliorants and green manures. Tailoring agronomic practices (e.g. weed management, planting methods) to local conditions will further enhance water and nutrient efficiency.

Evidence is growing about the scope of agronomic technologies like precision farming to raise production and income of farmers substantially. Similarly, modern machinery such as laser land leveller, precision seeder and planter, and practices like SRI (System of Rice Intensification), direct seeded rice, zero tillage, raised bed plantation and ridge plantation allow technically highly efficient farming. These require strong extension for the adoption by farmers. The emphasis should be on informing farmers about the opportunities these technologies offer, improving access to credit and creating an enabling policy environment for their adoption.

F. Augmenting Agriculture Income with Allied Activities

Promotion of integrated farming system approach aims at synergic blending of crops, horticulture, dairy, fisheries, poultry etc. to provide regular income, decrease cultivation cost through multiple use of resources and provide much needed resilience for predicted climate change scenario. Under National Agricultural Innovation Project (NAIP), supported by the World Bank and implemented by the Indian Council of Agricultural Research (2006-14), an effort was made to enhance income of the rural people through technology led innovation systems[17]. Under this initiative, interventions in Integrated Farming Systems mode (crop-livestock-aquaculture) were planned and demonstrated, keeping in view the overall need of the area, available technological options, market accessibility both for input and produce etc. Some of these systems such as Integrated rice–fish-poultry farming system, Integrated rice-fish farming model, Integrated pig/ poultry fish-vegetable farming system model and others have demonstrated significant increase in the income of the test farmer groups. There is a need to translate these successful models into farm practices on a wide scale.

In pursuance of recently announced Aatmanirbhar Bharat Abhiyan stimulus package for ensuring growth in several sectors, the Cabinet Committee on Economic Affairs has approved setting up of Animal Husbandry Infrastructure Development Fund (AHIDF) worth Rs. 15,000 crore[18]. AHIDF would facilitate much needed incentivisation of investments in establishment of such infrastructure for dairy and meat processing and value addition infrastructure and establishment of animal feed plants in the private sector.



CABINET DECISIONS: 24 JUNE, 2020

BOOSTING FARMERS' INCOME FOR SELF RELIANCE

Setting Up of ₹15000 Crore Animal Husbandry Infrastructure Development Fund Approved

- **Promote private participation in Dairy & Animal Husbandry** & incentivise infrastructure investment
- **10% margin** money contribution by eligible beneficiaries & 90% as loan component from banks
- **4% interest subvention to beneficiaries** from Aspirational Districts & 3% for other Districts; 2 yrs moratorium for repayment with 6 yrs repayment period thereafter
- Setting up Credit Guarantee Fund of **₹750 crore to be managed by NABARD**
- Direct and indirect livelihood creation for **about 35 lakh persons**

Steps for Doubling Farmer's Income

- Government constituted an Inter-ministerial Committee in April, 2016 to examine issues relating to "Doubling of Farmers Income (DFI)" and recommend strategies to achieve the same. The Committee has identified seven sources of income to double farmer's income by 2022.
- Finance Minister in her Budget speech of FY 2019-2020 has hoped to form 10,000 new Farmer Producer Organisations (FPOs) to ensure economies of scale for farmers over the next five years.
- Government plans to change existing law to ensure availability of quality seeds to farmers with a proposed Seeds Bill, 2019 to replace The Seeds Act, 1966. Assistance/ benefit is also being provided to farmers under Sub Mission on Seeds and Planting Material (SMSP).
- The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme was started with a view to augment the income of the Small and Marginal Farmers (SMFs).
- Government is implementing schemes for imparting various training programmes and awareness campaigns for the benefit of farmers at Panchayat and village level under Agricultural Technology Management Agency (ATMA) Scheme, Four Farm Machinery Training & Testing Institutes (FMTTIs), Mission for Integrated Development of Horticulture (MIDH), National Food Security Mission (NFSM) etc. through its wide network of Krishi Vigyan Kendras (KVKs) under Indian Council of Agricultural Research (ICAR) and Agriculture Universities etc.
- Department of Agriculture Cooperation & Farmers' Welfare is implementing 'Per Drop More Crop' component of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY-PDMC). It focuses on enhancing water use efficiency at farm level through Micro Irrigation technologies viz. Drip and Sprinkler irrigation systems.

G. Decreasing the Per-capita Dependence on Agriculture Income

Income of farmers can be improved substantially by shifting extra workforce away from agriculture. Some farmers have started moving away from the agriculture sector and many are looking for suitable opportunities to leave farming. According to NSSO, workforce in agriculture sector in rural areas declined by about 34 million between 2004-05 and 2011-12, showing an annual decline at the rate of 2.04 percent[19]. Despite the trend of movement of workforce away from agriculture, the employment diversification towards non-farm sector is slow due to requirement of skill and certain education level in manufacturing sectors, the concentration of industrial units at a distance from rural habitation and the limited capacity of the non-farm sector to ensure productive employment to incoming workers. The government's recent initiative on Skill Development can play a big role in improving skills of farming community, which can fetch them better employment opportunities in non-farm sectors.

Conclusion

It has been found that agrarian distress increased when growth in farm income was low and it went down when farmers' income experienced high growth rate. Thus, the level of farm income is crucial to address agrarian distress. The income enhancement of farmer would come mainly from seven sources like increase in productivity of crops, increase in production of livestock, improvement in efficiency of input use that would save cost, increase in cropping intensity at farmers' field, diversification towards high value commodities, better remunerative price realised by farmers, and shifting way surplus labour (unproductive) from agriculture to non-farm activities. The Government's development initiatives, impetus on technology integration besides policies and reforms in the agriculture sector, are the right steps in this direction.

Endnotes

1. NITI policy paper no.1/2017: Doubling Farmers' Income
2. 7,8,11,12,13-Ibid.
3. DFI-Vol1: March of Agriculture
4. NITI policy paper no.1/2017: Doubling Farmers' Income
5. NITI policy paper no.1/2017: Doubling Farmers' Income
6. Indian Farming 68(01): 16–19; January 2018
9. DFI-Vol2: Strategies and Targets
10. Indian Farming 68(01): 16–19; January 2018
14. Indian Farming 68(01): 31–32; January 2018
15. Indian Farming 68(01): 24–26; January 2018
16. Indian Farming 68(01): 16–19; January 2018
17. Indian Farming 68(01): 13–16; January 2018
18. Cabinet approves establishment of Animal Husbandry Infrastructure
19. NITI policy paper no.1/2017: Doubling Farmers' Income

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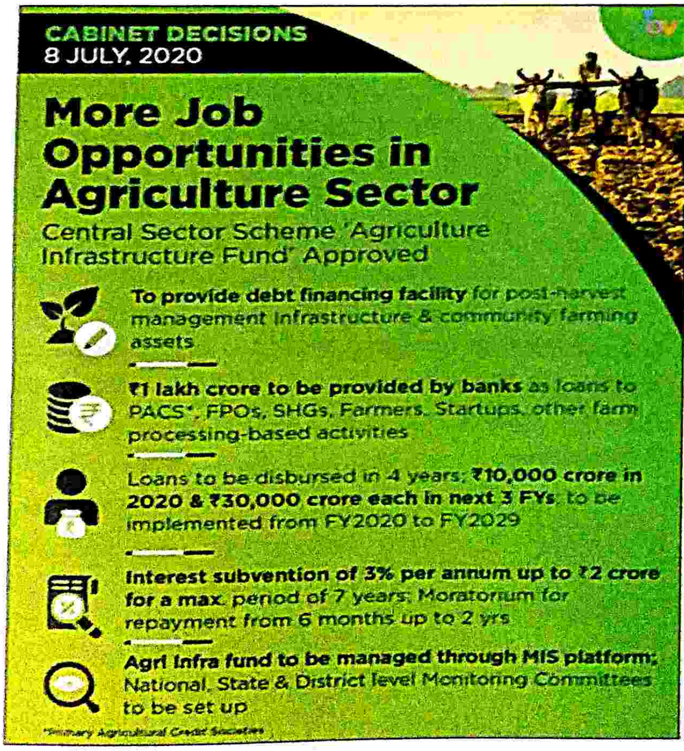


CABINET DECISIONS
8 JULY, 2020

More Job Opportunities in Agriculture Sector

Central Sector Scheme 'Agriculture Infrastructure Fund' Approved

To provide debt financing facility for post-harvest management infrastructure & community farming assets

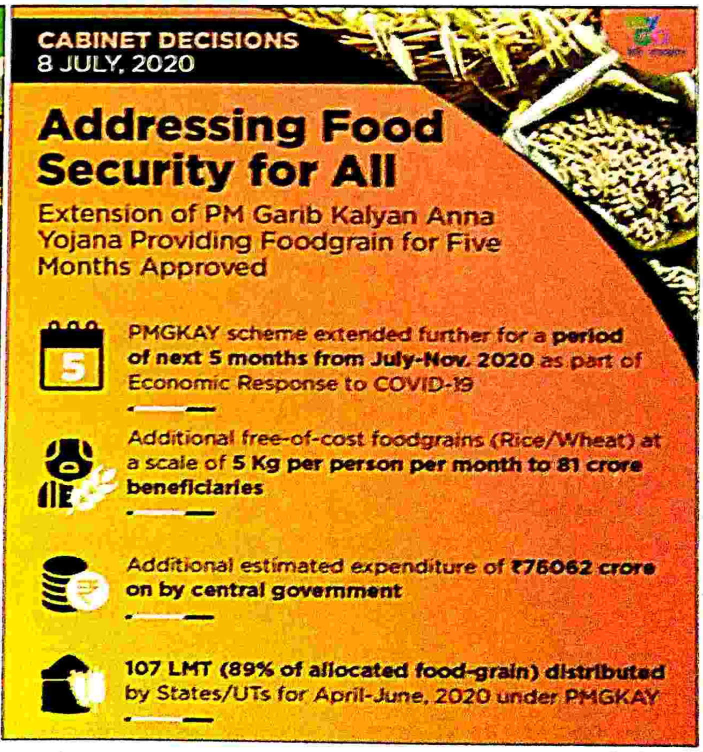
₹1 lakh crore to be provided by banks as loans to PACS*, FPOs, SHGs, Farmers, Startups, other farm processing-based activities

Loans to be disbursed in 4 years: **₹10,000 crore in 2020 & ₹30,000 crore each in next 3 FYs**, to be implemented from FY2020 to FY2029

Interest subvention of 3% per annum up to ₹2 crore for a max. period of 7 years; Moratorium for repayment from 6 months up to 2 yrs

Agri Infra fund to be managed through MIS platform; National, State & District level Monitoring Committees to be set up

*Primary Agricultural Credit Societies



CABINET DECISIONS
8 JULY, 2020

Addressing Food Security for All

Extension of PM Garib Kalyan Anna Yojana Providing Foodgrain for Five Months Approved

PMGKAY scheme extended further for a **period of next 5 months from July-Nov. 2020** as part of Economic Response to COVID-19

Additional free-of-cost foodgrains (Rice/Wheat) at a scale of **5 Kg per person per month to 81 crore beneficiaries**

Additional estimated expenditure of **₹76062 crore on by central government**

107 LMT (89% of allocated food-grain) distributed by States/UTs for April-June, 2020 under PMGKAY

Food Processing: Potential Driver of Agri-Business

Dr. Jagdeep Saxena

Food processing industry is a rising sector in India with potential to become a global player soon. Food processing units/industries promote industrial growth in rural areas, create livelihood/employment opportunities, check rural-urban migration and ultimately improve rural economy for greater socio-economic benefits. From farmers' perspective, food processing sector is a promise of prosperity as it opens several pathways for augmenting their profit and income.

Food processing in India has treaded a long path of transformation, from merely a household activity to a prominent industrial sector impacting national economy, especially the rural one. Simultaneous growth in agriculture provided due leverage to processing industries by maintaining a regular supply of raw materials (agricultural produce) in desired quantity and quality. Besides, the amazing diversity of Indian food basket also adds novelty and value to processed products especially for exports.

Food processing units/industries promote industrial growth in rural areas, create livelihood/employment opportunities, check rural-urban migration and ultimately improve rural economy for greater socio-economic benefits. From farmers' perspective, food processing sector is a promise of prosperity as it opens several pathways for augmenting their profit and income. Significant rise in demand of agricultural produce for processing ensures better price to farmers, even during glut season. Market demand of varied food products promotes diversification in crop selection in favour of high value crops. Most importantly, this sector links unorganised farming community with formal industrial sector to advance rural economy. Further, food processing sector is also capable of addressing critical issues of food security, food inflation, food wastage and nutritional security to the masses.

The Ministry of Food Processing Industries is striving to create and ensure a conducive environment for healthy growth of the food processing industry. Ministry has launched several policy, developmental and promotional initiatives to attract greater investment into this sector. Formulation and implementation of sector-friendly policies and schemes have made a positive impact on food processing sector, especially during last six years. During the last five years ending 2017-18, food processing sector has been growing at an average annual growth rate of around 8.19 percent as compared to around 3.45 percent in agriculture at 2011-12 prices. Food processing sector has also emerged as an important segment of Indian economy in terms of its contribution to national GDP, employment, investment and exports. The sector constituted as much as 9.17 percent and 11.07 percent of Gross Value Added (GVA) in manufacturing and agriculture sector respectively in 2017-18 (2011-12 prices). Despite its low capital intensity, food processing sector has the largest number of factories and engages largest number of persons as compared to other industrial sectors in the country. According to Annual Survey of Industries (2016-17), the total number of persons engaged in registered food processing sector was 18.54 lakh. Whereas unregistered food processing sector supports 51.11 lakh workers (NSSO 73rd Round, 2015-16) and constitutes 14.18 percent of employment in the unregistered manufacturing sector. Backed by the export promotion initiatives, the value of processed food exports during 2018-19 was of the order of US Dollar 35.30 billion accounting for about 10.70 percent of India's total exports. However, the share of India's food export in the world was 2.31 percent (2018) only.

> **"Food processing is a way of life in India. It has been practiced for ages. Simple, home-based techniques, such as fermentation, have resulted in the creation of our famous pickles, papads, chutneys and murabbas that excite both the elite and the masses across the world."-Prime Minister Shri Narendra Modi**

Potential and Strategies

Food processing sector is a rising sector in India with potential to become a global player soon. In addition to rich and diversified agricultural resources, the country due to its technological strength can provide a perfect blend of traditional and hygienic foods, processed and packaged according to global standards with state-of-art technology. The remarkable growth in this sector is chiefly driven by a strong 1.3 billion consumer base that has created world's sixth largest food and grocery market. On domestic front, as consumers are becoming more health conscious, the demand for nutritious food is growing proportionately. Rising number of working women in urban areas and growing trend of nuclear families are also pushing demand for ready-to-eat and frozen food. Increasing urbanization and rise in disposable incomes has substantially increased spending on food products. Growth of organised retail and penetration of e-commerce companies have further helped increase in demand of processed food products. Thus, overall India's food value chain is poised to create multiple opportunities for investment and employment in various verticals of food processing sector, such as value addition, transport, storage infrastructure, farming, retail chains and quality control.

The Ministry of Food Processing Industries has formulated strategies and implemented initiatives to address unique challenges of food processing. Processors routinely deal with seasonal and perishable raw materials which need to be processed in a short period. This sector mainly consists of tiny, micro and small units which are financially not capable of generating adequate surplus for their expansion or invest in supporting infrastructure. So, as a long term strategy, the Government is providing financial support and declared several fiscal incentives for creation of common supply chain infrastructure, such as expansion of processing facilities, cold chain, dry storage, packaging, logistics, etc. Ministry is strategically promoting processing clusters and creating strong backward and forward linkages from farm gate to retail outlets for the benefit of farmers and processors equally. Due support is being provided to small-scale processors for market development, brand building and export of food products. Under fiscal incentives, provisions of income tax and corporate tax have been rationalized in favour of food processing industries. Profit linked tax holiday and investment linked deductions have been allowed in this sector. In the new GST regime, nearly 80 percent food products are covered in lower tax slab of 0, 5 and 12 percent.

To attract investment, 100 percent Foreign Direct Investment (FDI) is permitted under the automatic route, and the sector has witnessed FDI equity inflow to US Dollar 3.28 billion

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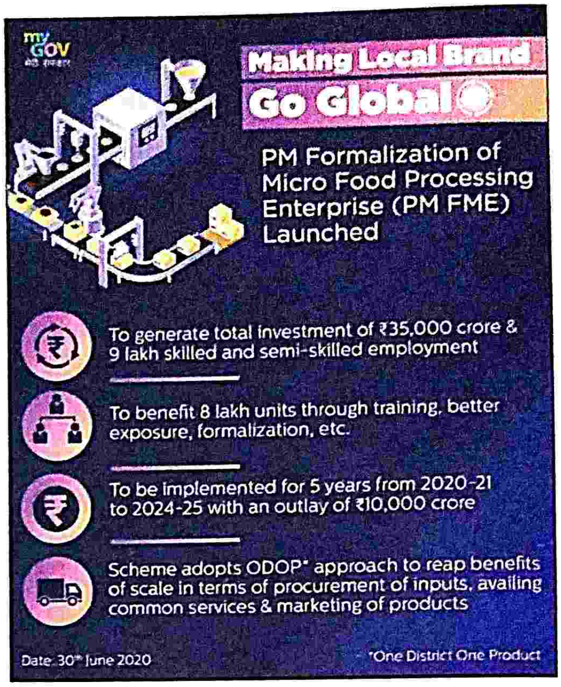
Making Local Brand Go Global
Formalisation of Micro Food Processing Enterprises

In alignment with Prime Minister's clarion call to be 'vocal for local', Ministry of Food Processing Industries has recently launched a scheme for formalisation of micro food processing enterprises. With an outlay of Rs. 10,000 crore, the scheme aims coverage of two lakh enterprises over five years from 2020-21 to 2024- 2025. During first year of implementation, the total expenditure will be borne by Central government, but in successive years centre and states will share the expenditure in 60:40 ratio.

Under the scheme, capacity building of entrepreneurs will be undertaken through technical knowledge, skill training and hand holding support services. Credit flow to micro food processing industries will be strengthened along with support for their integration with organised supply chain by providing brand and marketing facilitation. Apart from individual entrepreneurs, support will also be extended to FPOs, SHGs, producers co-operatives and co-operative societies engaged in food processing activities.



Making Local Brand Go Global

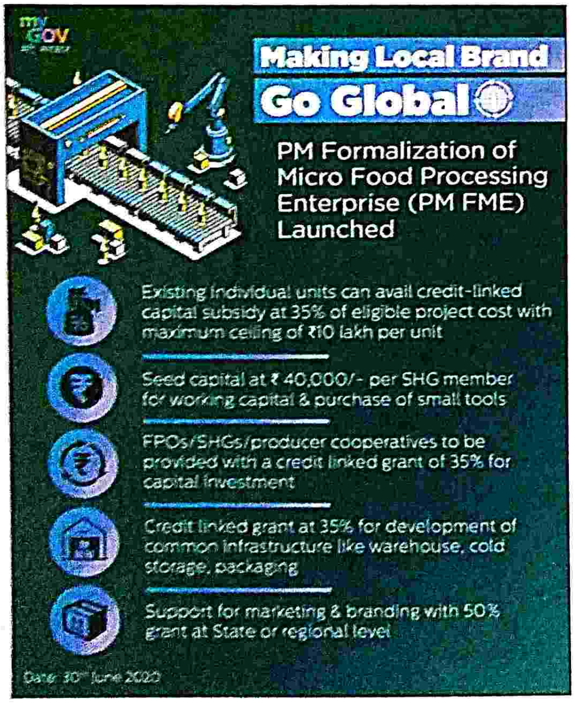
PM Formalization of Micro Food Processing Enterprise (PM FME) Launched

- To generate total investment of ₹35,000 crore & 9 lakh skilled and semi-skilled employment
- To benefit 8 lakh units through training, better exposure, formalization, etc.
- To be implemented for 5 years from 2020-21 to 2024-25 with an outlay of ₹10,000 crore
- Scheme adopts ODOP* approach to reap benefits of scale in terms of procurement of inputs, availing common services & marketing of products

Date: 30th June 2020

*One District One Product

Micro food processing industries represent the unorganised food processing sector comprising nearly 25 lakh units. Nearly 74 percent of the total employment in food processing sector comes from these units. Micro food processing enterprises are a major contributor to rural economy as nearly 66 percent of these units are located in rural areas and about 85 percent of them are family based enterprises supporting livelihood of households. These units play a significant role in checking rural-urban migration. But, these units face a number of challenges that limit their performance and development. Lack of access to modern technology, training, easy credits etc. increase the cost of production and limit their profits. The scheme of formalisation addresses these challenges in an effective way to make them more productive, profitable and sustainable.



Making Local Brand Go Global

PM Formalization of Micro Food Processing Enterprise (PM FME) Launched

- Existing individual units can avail credit-linked capital subsidy at 35% of eligible project cost with maximum ceiling of ₹10 lakh per unit
- Seed capital at ₹ 40,000/- per SHG member for working capital & purchase of small tools
- FPOs/SHGs/producer cooperatives to be provided with a credit linked grant of 35% for capital investment
- Credit linked grant at 35% for development of common infrastructure like warehouse, cold storage, packaging
- Support for marketing & branding with 50% grant at State or regional level

Date: 30th June 2020

As per guidelines, the scheme will adopt a cluster approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. 'One district, one product' approach initiated in some states will be a guiding force for value chain development and alignment of support infrastructure. Perishable produce based product, cereal based product or a food product widely produced in a district will be identified for support and other benefits.

The scheme provides for credit linked grant to enterprises with provision of seed capital to SHGs for meeting working expenses and purchase of small tools. The scheme is set to transform the unorganised micro food processing enterprises for the larger benefit of rural people and rural economy.

STRENGTHENING FOOD PROCESSING IN INDIA
Global food factory
Global Sourcing Hub
MOFPI

during April 2014 and March 2019. Additionally, government has allowed 100 percent FDI in e-commerce or e-retailing segment of this sector through government approval route. The move is set to open new avenues of growth and boost the income of farmers. Further, a global event, 'World Food India 2017' was organised in New Delhi mainly to position India as a preferred investment destination and to showcase potential of the country as a global hub for production of food products. The event brought together more than 75,000 visitors from 61 countries resulting in 8,000 B2B meetings and signing of MoUs worth about US Dollar 14 billion.

To maintain an easy and accessible credit flow, loan to food and agro-based processing units and cold chain has been classified under agricultural activities for Priority Sector Lending. A special fund of Rs. 2,000 crore has been set up in NABARD to provide credit at affordable rates. Under this fund, loans (up to 75 to 95 percent of the eligible project cost) are extended to cooperatives, entrepreneurs, FPOs, corporates etc. for setting up, modernisation and expansion of food processing units. This facility has initiated a wave of transformation in food processing units along with creation of modern infrastructure.

Initiatives

Holistic and inclusive development of food processing sector vis-à-vis rural economy desires to have sustainable supply chains that will link the farmer to the processing and marketing centres seamlessly. Simultaneously, there is need to create on-farm cooling and grading arrangements with cold-chain infrastructure to increase income of farmers. If the farmer is enabled to grade and store his produce close to farm, the farmer will be empowered to demand and obtain a better price from the processors and also add value to his produce. With a view to attract and augment private investment for building desired infrastructure, Government launched an integrated umbrella scheme- Pradhan Mantri Kisan Sampada Yojana in 2017. An allocation of Rs. 6,000 crore for the period 2016-20 was made under the scheme with the expectation to leverage investment of Rs. 31,400 crore for handling of 334 lakh MT agro-produce valued at Rs. 1,04,125 crore. The scheme is slated to benefit 20 lakh farmers with additional generation of 5,30,500 direct/indirect employment to promote growth in rural economy. The scheme is providing financial support to create and develop infrastructure for mega food parks, integrated cold chain and value addition, food processing and preservation capacities and agro-processing clusters. The Ministry of Food Processing Industries has sanctioned 39 mega food parks and 298 cold chain projects throughout the country for seamless transfer of perishables from production to consumption areas. As per Economic Survey (2019-20), so far, 701 projects have been sanctioned under different components of the scheme, which are expected to leverage investment of about Rs. 12,455 crores and handle about 259 lakh MT agro-produce valuing about Rs. 67,054 crores. These projects, on completion, are likely to benefit about 46.37 lakh farmers and generate about 5.6 lakh direct/indirect employment in the country. The scheme has created effective backward and forward linkages for perishable agri-horti produce by setting up primary processing centers/collection centers at farm gate, while distribution hub and retail outlets at the front end. Preservation facilities are also created for enhancing shelf-life of perishable agricultural produce resulting in better remunerative price to farmers.

Some of the recent budget announcements have specifically targeted food processing sector beyond the scope of PM Kisan Sampada Scheme. In the general budget (2019-20), the Finance Minister announced, "Indian Railways will set up 'Kisan Rail' through PPP arrangements. There shall be refrigerated coaches in express and freight trains to build a seamless national cold supply chain for perishables, inclusive of milk and meat". To help improve value realisation especially in North-East and tribal districts 'Krishi Udaan' will be launched by the Ministry of Civil Aviation, added the Finance Minister.

Moving towards food products of animal origin, milk is the chief product that requires processing within a very short period of procurement. Government of India created a specific 'Dairy Processing and Infrastructure Development Fund' under NABARD with the objective to modernise and expand milk processing facilities across India. Scheme was initiated in 2017 with a total investment outlay of Rs. 10,881 crore for three years. Fund also aimed to create additional milk processing capacity for increased value addition by producing more dairy products. With this investment, more than 95 lakh dairy farmers in about 50,000 villages are likely to be benefitted. Additional milk processing capacity, milk drying capacity and milk chilling capacity are being added with support from this fund. Fund is also slated to create 40,000 direct and about two lakh indirect employment opportunities. Meanwhile, Union Government has announced to facilitate doubling of milk processing capacity from over 53 million tonne to 108 million tonne by 2025 (Union Budget, 2019-20). Special efforts are also being made to accelerate production, marketing and exports of value added meat products and sea food to increase income of fishers.

Entrepreneurship and Engagements

Food processing sector, due to its close linkage with farms and farmers, provides a huge opportunity for entrepreneurship in rural areas. Rural youth, who are potential migrants, can easily be trained as per industry requirements and mentored to start their own small units of processing, packaging, etc. Many government agencies and technical institutions are providing training, technical guidance and hand holding services to start-ups that have kick-started a new breed of enterprises in rural areas based on agricultural produce. Prime Minister Employment Generation Programme, ASPIRE (Scheme for promoting innovation, rural industry and entrepreneurship) and SFURTI (Scheme for regeneration of traditional industries) are some of the specific schemes to address capital needs of agri-entrepreneurs.

Food processing sector has been identified as one of the key and priority sector of the Government's ambitious 'Make in India' campaign. Under the scheme, special efforts are being undertaken to improve the competitiveness of the private and public sector units operating in the country, so that they can integrate well with global value chains and global markets. Programs such as Start-up India, Stand-up India and Skill India are other major initiatives that are backing development of food processing sector, in their own domain.

Green shoots are emerging fast in food processing sector due to promotional activities and initiatives by Government of India. However, we need to accelerate implementation of supportive schemes at ground level. Food processing has the potential to act as an engine of growth for rural economy and to bring prosperity in rural areas. But, India needs to develop its strategy in a way which takes care of small-scale players along with attracting big investments from domestic and global food giants. Food processing sector is on the pathway of building a New India where rural economy is as bright as its urban counterpart.

(The author is Former Chief Editor, Indian Council of Agricultural Research, New Delhi. Email: jagdeepsaxena@yahoo.com)

Rural Self-Reliance Strategies

Dr. Ishita G. Tripathy

The efforts made for the resurgence of the rural economy have been continuous and an on-going process. The Government's focus on mitigating the adverse impact of COVID-19 pandemic on the economy had started at the very beginning of the lock-down period. While the 'Aatmanirbhar Bharat' programme shall take care of the immediate needs of the people, other measures such as skill-based work for returnee migrants, investments in agriculture, and balancing the supply and demand factors; shall be key breakthroughs for a self-reliant rural economy.

In terms of population, work force and contribution to the net domestic product (NDP), rural India accounts for a large share (69 percent, 71 percent and 47 percent, respectively) of the Indian economy. The COVID-19 pandemic has adversely affected the Indian economy, including rural economy. To overcome this distress and to resurrect the rural economy back on to the growth trajectory, has become Government of India's priority. The pandemic and the resultant pause of economic activities have witnessed huge reverse migration from urban to rural areas. The slew of reforms announced by the government in the wake of this global pandemic and the associated lockdown, followed by the phased unlocking is, therefore, definitely a much-needed step in the right direction. Growth in both demand and supply is pivotal in the revival of the Indian rural economy. This article endeavours to review a few growth-enhancing measures announced by the government, which aim at making the rural economy resilient.

Announcements

In May, 2020, Prime Minister Shri Narendra Modi announced a holistic strategy to achieve self-reliance or Aatmanirbhar Bharat. The measures announced aimed at taking care of the immediate needs of the people in terms of food and cash. They also proposed to address long-term issues entailed in providing healthcare, education and employment, thereby tackling both demand and supply-side issues for economic resumption. The efforts made for the resurgence of the rural economy have been continuous and an on-going process. While the sheer dimension and the timeliness of these announcements are laudable, the magnitude of the issues requires a comprehensive and focused approach.

Food, Agriculture and Related Sectors

The Central Government's focus on mitigating the adverse impact on the rural economy had started at the beginning of the lock-down period.

In April, 2020, the launch of 'Kisan Rath' mobile app was aimed at facilitating transportation of foodgrains and perishables during the lockdown so that issues faced by both the producers and the consumers could be mitigated. Besides, All India Agri Transport 24 x7 Call Centres too were launched early on during the lockdown period.

The Ministry of Agriculture and Farmers Welfare's initiative towards formation of 10,000 new Farmers' Producer Organisations (FPOs) will be a rural game-changer. The initiative will focus on social mobilization and economic emancipation of small, marginal and landless farmers. Providing easy accessibility of these farmers throughout the supply chain, viz. from access to technological inputs and finances, to better markets and prices, is going to be the building blocks of an effective implementation of this announcement. Providing a competitive edge and working towards the sustainability of FPOs are vital since they imbibe the tenets of both cooperatives and the corporate, besides collectivizing the strengths of small farmers. Building on the Budget 2020-21 announcement, 'one district-one product' approach has been advocated in the recent measures. This approach encourages specialization and a prudent reaping of economies of scale.

Attracting investments, especially in the agriculture sector, has become a challenge in the pandemic period. At the end of June, 2020, the Cabinet approved the setting up of Animal Husbandry Infrastructure Development Fund of Rs. 15,000 crore. The Fund will be useful for ensuring enhanced investments, including private sector investments, in dairy, meat processing and animal feed plants. Besides others, FPOs would also be allowed to take up food processing enterprises in the rural areas. This fund, if properly administered and rolled out with the help of farmers' groups, FPOs and cooperatives, can ensure setting up of an effective supply chain with technologically advanced agro-based industries. In May, 2020, the Finance Minister had announced Rs. 30,000 crore Additional Emergency Working Capital for farmers through NABARD and Rs. Two lakh crore credit boost to 2.5 crore farmers under Kisan Credit Card Scheme. This is expected to increase investment in the agriculture and allied sector.

The amended 'Essential Commodities' Act proposes to balance producers' and consumers' interests. The amended Act would reduce regulatory interference by removing cereals, pulses, oilseeds, edible oils, onions and potatoes from the list of essential commodities, which in turn would be a catalyst in attracting more investment into this sector. For the consumers, the amendment provides that in extraordinary situations such as war, famine, price rise and natural calamity, regulation would be possible.

In May, 2020, the Department of Food and Public Distribution has allocated 8 lakh MT of foodgrains to all States/UTs to address issues faced by migrants. On 30th June, 2020, the Prime Minister extended the food security under Pradhan Mantri Garib Kalyan Anna Yojana till the end of November, 2020. The Yojana includes 5 kg free wheat/rice to more than 80 crore people to each member of a family, along with 1 kg free whole chana per family per month. This food security measure conveys an important reassurance for those reeling under distress from the current exceptional circumstances.

Pradhan Mantri Garib Kalyan package is aimed at distributing free food grains and providing cash to women and poor senior citizens and farmers, by using Direct Benefit Transfer. Figures released by Ministry of Finance, Government of India show that more than 42 crore people have already received financial assistance of Rs. 65,454 crore under this scheme. Further, the procurement of wheat from farmers at 388.3 lakh metric tonnes as on 30th June, 2020 has been an all-time high. The total procurement of Minor Forest Produce for the financial year has reached Rs. 2,000 crore. This procurement ensures direct benefit to tribal people. Minor Forest Produce is also covered under the recently approved new Centrally Sponsored Scheme called Scheme for Formalisation of Micro Food Processing Enterprises for the unorganised sector. The scheme has an outlay of Rs. 10,000 crore. The objectives of the scheme entail an enhanced access of micro food processing units to finance and increase in their revenues and has an ambitious plan to assist 2,00,000 micro-enterprises to credit-linked subsidy. This initiative, to become successful in its implementation, demands extensive skill-training and sensitisation drives of rural youth.

The Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020, was promulgated in June, 2020. The Ordinance strives to create an ecosystem where farmers and traders will have the freedom of choice of sale and purchase of agro-produce and there will be barrier-free inter-state and intra-state trade. Trade will be outside the physical location of markets which have been notified under State Agricultural Produce Marketing legislations. Besides, the provision of electronic trading is a step towards virtual transaction, which has become the recent norm in almost every sphere of the economy. This initiative of the government would be able to assure appropriate price discovery of the agro-produce even at the farmers' doorstep.

Another ordinance approved by the Cabinet is The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020, which advocates farmers' engagement with processors, wholesales, aggregators, large retailers and exporters. On the one hand, if properly implemented by removing intermediaries, this initiative would reduce the market risk and the cost of marketing; and on the other hand, it will provide for the farmers' access to modern technology, better inputs and higher incomes.

Rural Livelihood

A major reason for rural-urban migration is the lack of job opportunities in the rural areas. The natural corollary to meet the reverse migration underscores the importance of providing gainful employment and to make the rural economy self-reliant. In this context, the recent step-up of Rs. 40,000 crore in the allocation of MGNREGA is commendable.

The Garib Kalyan Rojgar Abhiyaan launced on 20th June, 2020, not only aims at providing employment opportunity to the reverse migrants, but also constructing durable public works. The Abhiyaan is to be implemented over 125 days in 116 districts with a financial outlay of. Rs. 50,000 crore. A large number of infrastructure projects have been identified under the Abhiyaan, including rural housing, plantations, provision for drinking water, toilets, rural mandis, rural roads, anganwadis, etc. The focus of the Jal Jeevan Mission within the Abhiyaan is to provide household tap connections to every rural household. The Mission builds on the foundation laid by the Central Government's time-bound, mission-mode water conservation campaign, i.e. Jal Shakti Abhiyan, launched in 2019.

The secondary sector has assumed significance in rural areas. A study by Niti Aayog shows that rural areas produce almost the entire agricultural produce, about one-third of non-farm output and almost half of non-farm employment (Table-1). For boosting non-agricultural activities, a package for micro, small and medium enterprises (MSMEs) has been announced. Besides the collateral free debt and interest subvention, a major highlight of the package is Distressed Assets Fund Subordinate Debt for MSMEs, which aims to protect around 2 lakh MSMEs. MSMEs contribute 29 percent of India's GDP and 50 percent of India's exports, besides employing more than 11 crore people in the country.

Table-1: Share of Rural Areas in Net Domestic Product and Workforce, 2011-12 (percent)

Sector	NDP as Proportion of Total	Workforce as a Proportion of Total
Agriculture	95.1	95.9
Manufacturing	51.3	47.4
Construction	48.7	74.6
Services	25.9	39.6
Non-Agricultural Activities	35.3	48.7

Source: Adapted from 'Changing Structure of Rural Economy of India: Implications for Employment and Growth', NITI Aayog, GoI, 2017, New Delhi

As evident from Table-2, the share of various sectors in rural NDP is not commensurate with their share in rural employment. The sectoral share of agriculture both in rural NDP and rural employment is the largest, although the share in NDP is almost half of its share in employment. Deriving from Table-1, it is assumed that the labour which had migrated from rural areas worked in non-agricultural sectors in urban areas. Therefore, it is essential to map their skills on their return from urban areas and accordingly, provide for their gainful absorption in sectors other than agriculture.

Table-2: Sectoral Share in Net Domestic Product and Employment in Rural Areas, 2011-12 (percent)

Sector	Share in Rural NDP	Share in Rural Employment
Agriculture	39.2	64.1
Manufacturing	18.4	8.6
Construction	10.5	10.7
Services	27.0	15.5

Some minor sectors have been excluded. So, totals may not add up to 100 percent.

Source: Adapted from 'Changing Structure of Rural Economy of India: Implications for Employment and Growth', NITI Aayog, GoI, 2017, New Delhi

An important aspect of the reforms for MSMEs has been the amendment in the MSME Development Act, 2006 which has changed the definition of MSMEs. The amended definition incentivises MSMEs to expand by defining the category of the MSME at the point of entry in terms of capital invested and the change from one category to another in terms of turnover (Table-3).

Table-3: Changed Definition of MSMEs

Unit	Criterion	Old Definition	New Definition
Micro	Investment	Rs. 25 lakh	Rs. 1 crore
	Turnover	Rs. 10 lakh	Rs. 5 crore
Small	Investment	Rs. 5 crore	Rs. 10 crore
	Turnover	Rs. 2 crore	Rs. 50 crore
Medium	Investment	Rs. 10 crore	Rs. 50 crore
	Turnover	Rs. 5 crore	Rs. 250 crore

Source: Press Information Bureau, GoI, 1st June, 2020

The change in the definition becomes all the more significant, considering that MSMEs contribute to a large share in India's exports. However, exports from MSMEs have either witnessed a decline or a very modest growth in the period March to May, 2020, as reported by the Ministry of Finance. The change in definition was not only significant for MSMEs to easily graduate from one category to another, or even retain their category while not compromising on their expansion, but it was also imperative to ensure comparability with MSMEs of other countries. For example, in the European Union, a Small and Medium-sized Enterprise has less than 250 persons employed and has an annual turnover of up to Euro 50 million, or a balance sheet total of no more than Euro 43 million. This inherently implies that a European MSME is much larger than an Indian one. The change in the MSME definition is expected to create a lot of opportunities for agro-based industries, including agro-processing, in rural areas.

Human Capital

For an economic activity to flourish, the 'extra-economic' parameters which form inputs into the activity must be well defined and well nourished. For the self-reliance of rural economy, it is essential to invest in human capital. For this purpose, investing in health and education assumes paramount importance. Accordingly, measures have been proposed for enhancing rural health and education. Augmenting rural health infrastructure in terms of not just a hike in health expenditure but also strengthening lab network and surveillance and encouraging research, has been necessitated considering that demand for health care is even more because of reverse migrants. For ensuring continuity of education despite the break from regular classes, PM eVIDYA, a programme for multi-mode access to digital/online education, along with Manodarpan to ensure mental health and emotional well-being of students, teachers and families have been planned to be launched. A new national curriculumfor school, early childhood and teachers and a National Foundational Literacy and Numeracy Mission are also lined up for launch.

Conclusion

The rural reform measures have attempted to balance the supply and demand side factors. Just like mapping the skills of the returnee migrant labour vis a vis the demand for works is the need of the hour, it is also essential to assess whether the agricultural and non-agricultural output can be exported, especially to countries where there is a growing demand, keeping in view that economic activities have been on a standstill mode in a large number of economies.

The successful implementation of the schemes and measures depends largely on convergence of efforts of the Central Government and State Government and the efforts of various Departments and the ease with which skills of returnee migrants are matched with the skills required at various notified public works.

The measures are potent means of instilling resilience in the rural economy. Being self-reliant does not imply having inward-looking policies, rather it means capitalizing on existing inward strengths and prudently making use of every opportunity, while overcoming weaknesses and threats.

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Q & A With Dr. Rahul Nehra

"MASS TESTING: KEY TO FIGHTING COVID-19"

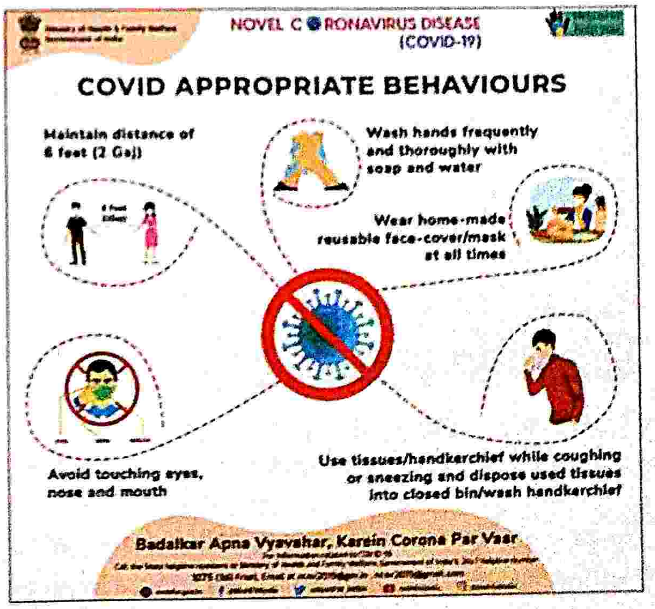
Nations across the globe are in process to develop the vaccine to fight against Coronavirus or COVID-19 pandemic. The Indian Council of Medical Research (ICMR) is also working in this direction so that the lives of people can be saved. In an interview with Kurukshetra, Dr. Rahul Nehra, stressed on responsibility of the citizens to control the spread of virus by taking all precautionary measures and following standard protocols till the vaccine is there.

Q. How do you see India's fight against pandemic COVID-19 so far?

A. India has been fighting in unison against the pandemic to contain the spread of the virus. Mortality rate is quite low in the country and the recovery rate is more than 60 percent. Efforts made by Indian government to fight this pandemic have been lauded by several countries as well. According to the government, India has one of the lowest cases of coronavirus per million in the world. However, role of people is crucial. They need to be extra cautious. Prime Minister Narendra Modi- led government took early initiatives to make people aware and also imposed the lockdown to slow the spread of the virus. But now, as the process of unlock has begun, everyone has to play his/her role in keeping the virus at bay. Government and healthcare workers are doing their bit. Hence, the citizens should not grow complacent and look at this crisis as an opportunity to improve their habits and behaviours.

Q. ICMR is in process to develop the vaccine, what do you have to say about it?

A. Our scientific community is making all out efforts to bring out the vaccine. ICMR is among the world's best organization in the field of medical research. It has already stated that the vaccine will be developed as per globally accepted norms, and safety and interest of people of India remains the topmost priority for it. However, we need to wait for it as of now. I would like to suggest that till the vaccine is there, we must continue with basic precautionary measures like wearing masks and social distancing. I have noticed that many are still taking this pandemic lightly and even not wearing mask


NOVEL CORONAVIRUS DISEASE
(COVID-19)
COVID APPROPRIATE BEHAVIOURS
Maintain distance of 6 feet (2 Gaj)
Wash hands frequently and thoroughly with soap and water
Wear home-made reusable face-cover/mask at all times
Avoid touching eyes, nose and mouth
Use tissues/handkerchief while coughing or sneezing and dispose used tissues into closed bin/wash handkerchief
Badalkar Apna Vyavahar, Karein Corona Par Vaar

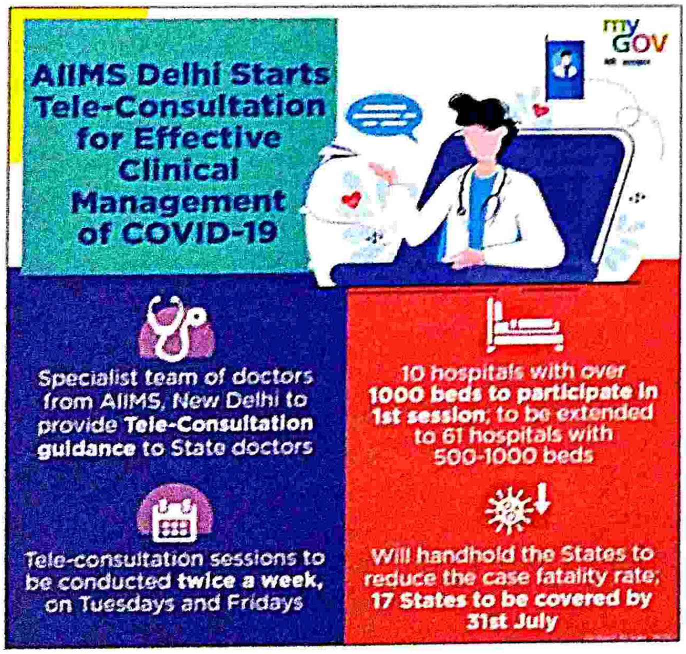
properly. This can be dangerous for them as well as for the primary and secondary contacts, if one is infected.

Q. As per a study by the WHO, there are indications that the virus may be airborne, your take on this?

A. Recently, the Indian government has already said that it is an evolving situation. I can say at this point of time that the Government must be keeping an eye on all aspects related to the COVID- 19. It is my request to people that they must maintain social distancing of six feet which is instrumental in fighting this virus.

Q. AIIMS, Delhi has started Tele-Consultation guidance to state doctors on COVID-19 clinical management.

A. It is indeed a great step. Tele-consultation is an extremely important component of the clinical intervention protocol for coronavirus. This will be an effective measure to bring down the fatality rate by providing necessary and timely guidance to the states.



AIIMS Delhi Starts Tele-Consultation for Effective Clinical Management of COVID-19

Specialist team of doctors from AIIMS, New Delhi to provide **Tele-Consultation guidance** to State doctors

Tele-consultation sessions to be conducted **twice a week**, on Tuesdays and Fridays

10 hospitals with over **1000 beds to participate in 1st session; to be extended to 61 hospitals with 500-1000 beds**

Will handhold the States to reduce the case fatality rate; **17 States to be covered by 31st July**

Q. Stigma related to COVID-19 patients is an issue, how to deal with it?

A. Social stigma or discrimination can lead to serious issues. People may hide in case they are having symptoms of COVID-19. Anyone can get infected due to it. Government through mass awareness programmes and other channels is requesting people not to stigmatise those who are COVID-19 positive. Even when one is completely recovered, we need to support the person emotionally as well. We need to be sensitive towards those who are fighting with this pandemic.

Q. What is the way forward now?

A. There is no doubt that the testing has been substantially increased and but I feel in states which are most affected including Maharashtra, Gujarat and Delhi, there is a need to further ramp up the testing. Mass testing and quick results can help in bringing down the number of people infected from COVID-19. People must frequently self assess their health using Arogya Setu App. Those who have been detected as COVID-19 positive should keep a pulse oximeter with them and check their blood oxygen level in every two hours or may be more frequently as per their health conditions. There is no need to create panic unnecessary and people must avoid spreading rumors related to the virus. Healthy lifestyle and eating habits must be followed which can lead to good immunity.

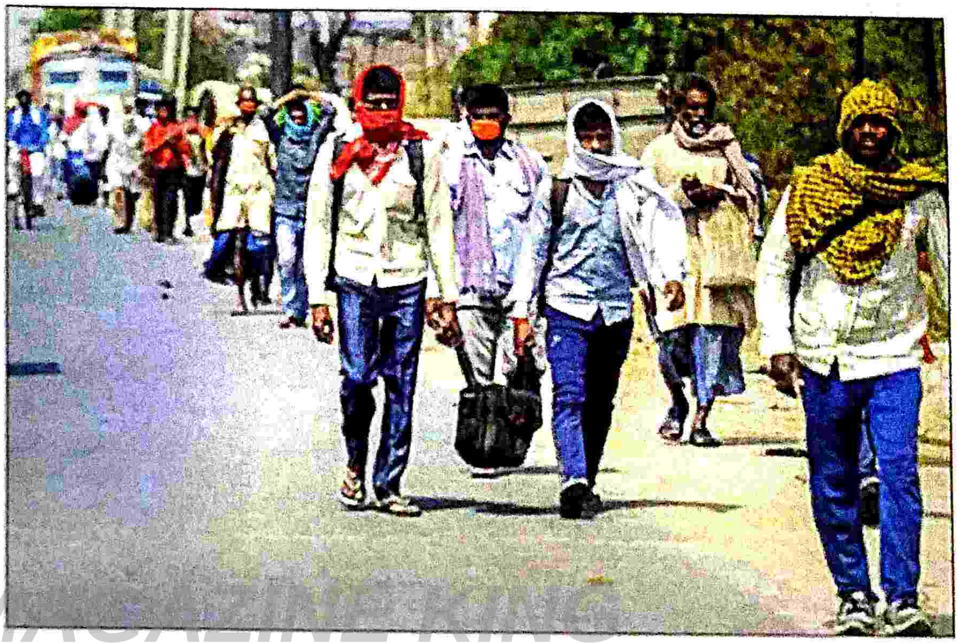
At the end, let me mention that if the curve of this virus has to be flattened in the near future, we must remain indoors as much as we can to break the chain of transmission. Wash hands frequently, santisise the surroundings properly and take precautions. 'Badalkar Apna Vyavhar Karein Cornona Pe Vaar'.

(The interviewee is an acclaimed Orthopedic Surgeon and the interviewers are Editor, Kurukshetra, Shiela Chaudhary and Pankhuri Awasthi. Views expressed by Dr. Nehra are his own)

Empowering Migrants

Satwik Mishra

The Government has been extremely proactive in taking steps to ensure that migrants lives as well as livelihoods are taken care of in a balanced manner. The Garib Kalyan Rojgar Abhiyaan launched by the Prime Minister is specifically for migrant workers who have returned to their villages owing to the dearth of livelihood opportunities in urban areas. The Abhiyaan focuses on durable rural infrastructure and providing modern facilities like internet in the villages. Skill mapping of the rural migrant labour is being done to help them work closer home.



As the COVID-19 crisis began to spread to every corner of the world, governments came forward to prevent the world from falling into a well of pessimism. The Indian Government has used the pandemic as an opportunity to reinforce its state capacity towards being more data-led, empathetic and efficient. Pandemics don't discriminate in their attack. However, there are usually supplementary factors that tend to make the overall impact more stressful for some more than others. One of the negatively affected section of the Indian society have been the migrant labourers.

Policies aimed at social welfare have the potential to turn formal citizenship to substantive citizenship. This resonates with the ideal of welfarism in our constitution. Part IV of our Constitution under Directive Principles of State Policy Article 41 states that "The State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want."

The Government understood the plight of the migrant labourers, and has been extremely proactive in taking steps to ensure that lives as well as livelihoods are taken care of in a balanced manner.

The Prime Minister Shri Narendra Modi, in his Mann Ki Baat address to the nation on 31st May said that "...And now, considering the migrant labourers, the need of the hour is devising a new solution – paradigm.. we are ceaselessly taking steps in that direction. For example, at places skill mapping of labourers is being carried out; at other places start-ups are engaged in doing the same. The establishment of a migration commission is being deliberated upon. Besides that, recent decisions taken by the Central government have opened up vast possibilities of village employment, self-employment and small scale industry. The objective of these decisions is finding solutions to the situation, for the sake of a self-reliant India. Had our villages, towns, districts and states been self-reliant, problems facing us would not have been of such a magnitude as is evident today. But moving from darkness toward light is a human trait." [1]

Providing a plank to glide over darkness and move towards the light of well-being, the Government has taken cognisance of the distress of migrant workers in its COVID-19 Response strategy. Several measures have been announced under the

Aatmanirbhar Package and also independently which are enumerated below.

Relief Measures Announced by Government focussed on Migrants

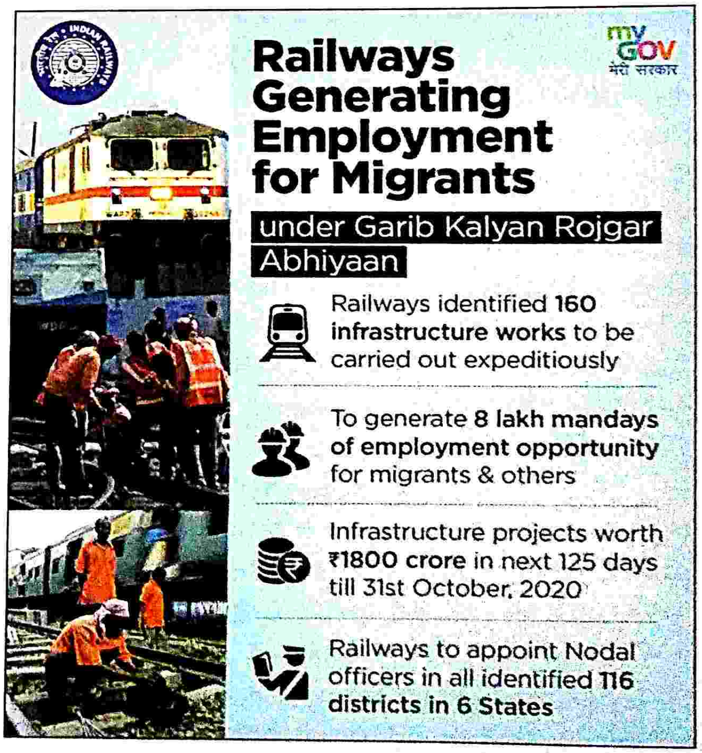
- An online dashboard "National Migrant Information System (NMIS)" has been developed by the National Disaster Management Authority (NDMA). This online portal has been envisaged for maintaining a central repository on migrant workers. This would facilitate inter-State coordination for smooth movement of migrants to their native places. It also has additional advantages like facilitating contact tracing, which may be useful in overall COVID-19 response work.[2]
- The Government has expedited the implementation of 'One Nation One Ration Card' throughout India to ensure food security for one and all. The honourable Finance Minister has stated that "67 crore beneficiaries in 23 states covering 83 percent of PDS population will be covered by national portability by August 2020. 100 percent national portability will be achieved by March 2021." This is nothing short of transformational in creating a comprehensive and efficient food security module.
- The Government has promised a free supply of five kg of foodgrain per person and 1 kg channa per family which has recently been extended uptill November 2020.
- A special credit facility with liquidity of up to Rs 5,000 crore has been announced for 50 lakh street vendors providing them with working capital up to Rs. 10,000.
- The Government will launch a scheme under PMAY for migrant labour/urban poor to provide ease of living at affordable rent. Affordable rental housing complexes would be created for migrant workers and the urban poor.
- Rs. 1500 Crores Interest Subvention has been provisioned under MUDRA-Shishu Loans (Maximum loan amount of Rs 50,000).
- The Government has permitted State Governments to utilise State Disaster Response Fund (SDRF) for setting up shelter for migrants and providing them food and water etc. The Central Government also released Rs 11002 crores of its contribution in advance to all States to augment funds in their SDRF.
- 12,000 SHGs have produced 3 crore masks and 1.20 lakh litres of sanitisers. This gave additional employment opportunity to the urban poor.
- Disbursal of Revolving Fund to Self Help Groups was on-boarded on PAiSA Portal in April 2020 on a pilot basis in Gujarat and is now being rolled out across all the States in May 2020.
- To help boost rural economy, an additional Rs 40,000 crore has been allocated under MGNREGS. This has increased the Union Budget allocation for MGNREGS from Rs 61,500 crore to Rs 1,01,500 crore (65 percent increase) for 2020-21.[3]

In spite of all these measures, the challenge, as recognised by the Government, has been the possible lack of economic opportunities for migrants who have returned back to their villages. Consequently, adding to the measures mentioned above, a meticulously designed program has been envisaged in the form of Garib Kalyan Rojgar Abhiyaan. This programme realises Mahatma Gandhi's vision of Sarvodaya (Upliftment of all) and Gram Swaraj. He had said "I know that the work of shaping the ideal village is as difficult as to make India an ideal country... But if one can produce one ideal village, he will have provided a pattern not only for the whole country but perhaps for the whole world."[4]

Garib Kalyan Rojgar Abhiyaan

The scheme was launched by the Prime Minister via video conference from Khagaria district of Bihar. Garib Kalyan Rojgar Abhiyaan is specifically for migrant workers who have returned to their villages owing to the dearth of livelihood opportunities in urban areas.

The Prime Minister explained the thought behind this programme wherein he explained that "some migrant workers who were quarantined in a government school in Unnao, Uttar Pradesh decided to utilise their skills and time during the quarantine period. They painted the entire school and made it



Railways Generating Employment for Migrants

under Garib Kalyan Rojgar Abhiyaan

Railways identified **160 infrastructure works** to be carried out expeditiously

To generate **8 lakh mandays of employment opportunity** for migrants & others

Infrastructure projects worth **₹1800 crore** in next 125 days till 31st October, 2020

Railways to appoint Nodal officers in all identified **116 districts in 6 States** a beautiful place. This was my motivation to launch the 'Garib Kalyan Rojgar Abhiyaan'. My labourer friends, the country understands your emotions & your needs. 'Garib Kalyan Rojgar Abhiyaan' starting from Khagaria, Bihar, is a major tool to fulfil this need and emotion."

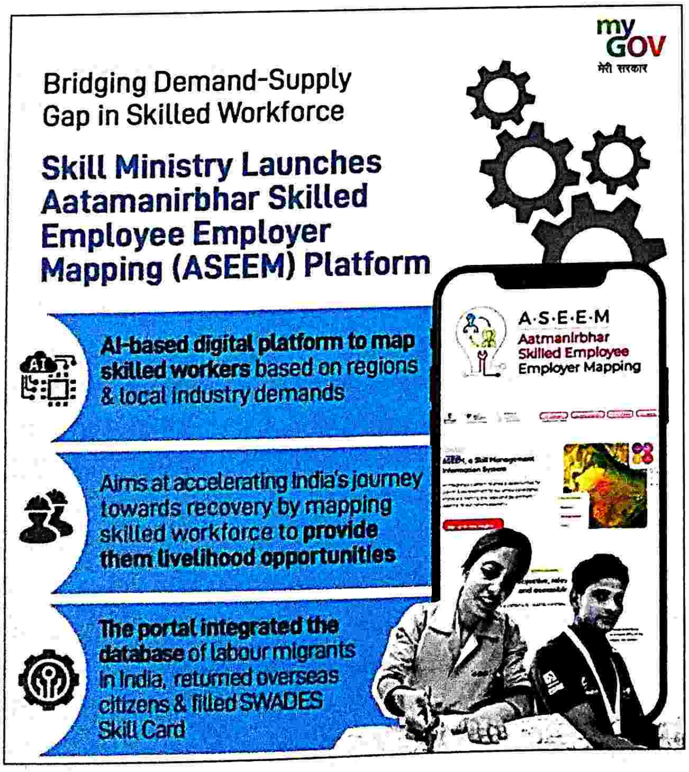
The programme is being steered by Ministry of Rural Development in coordination with 11 other ministries including "Panchayati Raj, Road Transport and Highways, Mines, Drinking Water and Sanitation, Environment, Railways, Petroleum and Natural Gas, New and Renewable Energy, Border Roads, Telecom and Agriculture." It is a visionary move by the Government to envisage a framework which covers a wide range of employment opportunities which can be taken up in myriad fields. This route takes the path of sustainable mechanisms to reach the destination of social and economic welfare.

The Garib Kalyan Rojgar Abhiyaan has the following objectives: [5]

a) Provide for immediate employment opportunities to returnee migrant workers and similarly affected rural population.

b) Saturate villages with public infrastructure and assets.

c) Set the stage for enhancing longer term livelihood opportunities.



Bridging Demand-Supply Gap in Skilled Workforce

Skill Ministry Launches Aatamanirbhar Skilled Employee Employer Mapping (ASEEM) Platform

AI-based digital platform to map skilled workers based on regions & local industry demands

Aims at accelerating India's journey towards recovery by mapping skilled workforce to **provide them livelihood opportunities**

The portal integrated the database of labour migrants in India, returned overseas citizens & filled SWADES Skill Card

About the Abhiyaan

The programme is mindful of the fact that the returning migrants have specific skills which can and should be utilised for augmenting the rural economy. The campaign will focus on undertaking 25 different types of employment opportunities (Table 1). Overall 25 schemes of the government will be brought under this campaign and up to 67 lakh migrant workers will benefit from the programme.

Table 1 : Different Works being Proposed for PM Garib Rojgar Abhiyaan

Sr No	List of Work
1.	Construction of community sanitation centre
2.	Construction of poultry shed
3.	Construction of vermicompost
4.	Construction of gram panchayat bhawan
5.	Construction of cattle shed
6.	Construction of goat shed
7.	Works under finance commission funds
8.	Construction of national highway work
9.	Training through Krishi Vigyan Kendra for Livelihood
10.	Work under PM Urja Ganga project
11.	Work through District Mineral Foundation Trust
12.	Solid and liquid waste management work
13.	Farm ponds work
14.	Water conservation & harvesting work
15.	Plantation (including through CAMPA funds) work
16.	Horticulture work
17.	Railway work
18..	Shyama Prasad Mukherjee RURBAN mission
19.	PM KUSUM
20.	Laying of Fibre Optic cable under Bharat Net
21.	Work under Jal Jeevan Mission
22.	Construction of Anganwadi centre
23.	Construction of rural housing works
24.	Rural Connectivity (PMGSY) & Border road work
25.	Construction of wells

The professional tasks selected will ensure suitable utilisation of the aptitude and skill of workers through skill mapping of the returnee migrant workers. For women workers, there is a plan to augment their collaboration with self-help groups to bolster their efficiency. The Abhiyan comes with meticulous planning pivoted around 125 days of working in mission mode starting from 20th June, 2020. It envisions amongst other things, the creation of productive infrastructure in the rural regions of the country which would be of use to the economy beyond the immediate term. The resource allocated for this campaign by the Government is a massive 50,000 crore.

A total of 116 districts with more than 25,000 migrant workers each across Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan, Jharkhand and Odisha have been selected for this campaign. These districts also include 27 aspirational districts. The break up has been shown in Table 2.

Table 2: Geographical Break-up of Districts Identified Under PM Garib Rojgar Abhiyaan

Name of State	Number of Districts Identified	Including Aspirational Districts (Number)
Bihar	32	12
Uttar Pradesh	31	5
Madhya Pradesh	24	4
Rajasthan	22	2
Odisha	4	1
Jharkhand	3	3

Governance Aspects under the Abhiyaan

A web portal has also been created for the campaign in order to ensure transparency. It will provide information related to the various facets of the program across the many schemes being implemented in 116 districts. The portal would aid in monitoring the effective implementation and completion of the work being undertaken under this program.

In order to ensure accountability in its implementation, 116 Central Nodal Officers have been appointed by the Government for monitoring the implementation of the abhiyaan in the respective districts. A committee of chief secretaries and secretaries has been created to ensure efficient implementation of the program. State and district level committees have been formed to ensure ground-level monitoring and feedback for holistic implementation of the program. Moreover, the progress of the scheme will be monitored through a centralised dashboard and app-based monitoring system which will help remove loopholes through the use of technology. NITI Aayog will overlook the implementation of the program across 27 aspirational districts and set the benchmark.

Benefits of the Abhiyaan

- The programme will bring economic, social and psychological security to a large proportion of migrant labourers who have been shaken due to the devastating effects of the pandemic.
- The programme will aid in creating sustainable infrastructure across myriad sectors as listed in Table 1. This will help the rural economy not only in the immediate term but also in the future when the effect of the pandemic recedes.
- One of the biggest challenges facing the economy has been suppression of economic demand. The infusion of funds (50,000 crores) over 125 days will boost rural demand in these 6 states, and this could have a multiplier effect, increasing demand in general.
- In the absence of this programme, there would have been a rise in rural unemployment. There was also a fear of the agriculture sector witnessing disguised unemployment. This campaign addresses this issue through the exercise of skill mapping. It will not only lead to effective utilisation of the exposure and the experience of the migrant returnees, but will also further hone their skills.
- The programmes chosen for targeted delivery already have processes in place due to its preconception. Given the need of immediate relief for migrant labourers, quick delivery of opportunities under this program will augur well for the well-being of these workers.
- The design of the programme has been conceived in mission mode with outcome indicators being simultaneously monitored on a dashboard. This will set a precedent for mobilizing social protection programs across the country in times of distress and has the potential to become a model for future challenges that the country may face.
- The programme will encourage co-ordination and collaboration between Union, State and Local Governments pushing the spirit of Cooperative Federalism.

Progress of Garib Kalyan Rojgar Abhiyaan Reviewed

Union Minister of Rural Development and Panchayati Raj Shri Narendra Singh Tomar held a meeting on July 14, 2020 to review the progress of Garib Kalyan Rojgar Abhiyaan through video-conferencing with the Rural Development Ministers and senior officials of six states. Launched by Prime Minister Shri Narendra Modi on 20th June 2020, the Garib Kalyan Rojgar Abhiyaan is being undertaken in 116 districts in the states of Bihar, Uttar Pradesh, Jharkhand, Madhya Pradesh, Odisha and Rajasthan. The Abhiyaan will continue for 125 days, and 25 works coming under 11 different ministries have been identified for completion. The Abhiyaan was found to be progressing well under various parameters which are being regularly monitored.

Speaking to the State representatives, the Union Minister said, it is the effort of the Government to provide employment to the migrant workers at their native places. The Abhiyaan is not only providing employment to returning migrants and similarly affected rural citizens, but also strengthening the economy and will saturate villages with public infrastructure and create livelihood opportunities viz. roads, housing, anganwadi centres, panchayat bhavans, various livelihood assets and community complexes among others. He expressed satisfaction at the rate of progress of the special drive by active cooperation between the Centre and the States, and laid emphasis on further accelerating the drive and creation of maximum infrastructure.

Shri Tomar also emphasized on developing a competitive approach among the States to achieve maximum results along with minimizing the hurdles being faced by various ministries in the implementation process so that the set targets are completed within the determined time period. He instructed that the tender process for sanctioning the third phase of rural road construction works under PMGSY should be speeded up as employment will be rapidly generated across all rural areas due to this. He said the drive is an important step towards providing employment to the people on a mission mode.

Speaking about the important measures taken by the Government for the welfare of the people during the crisis caused by coronavirus pandemic, Shri Tomar said that the Union Government has made a provision of an additional Rs. 40,000 crores under MGNREGA. A package of Rs. 20 lakh crores has also been announced under Atma Nirbhar Bharat Abhiyaan. The Government is providing free rations to the poor for about 8 months.

The representatives of the six participating States expressed gratitude to the Union Government for the Garib Kalyan Rojgar Abhiyaan and gave a number of suggestions for its effective implementation. Minister of State for Rural Development of Uttar Pradesh, Shri Anand Swarup Shukla expressed confidence that the set targets would be fully achieved in the state. Bihar Minister Shri Shravan Kumar thanked Prime Minister Shri Narendra Modi for launching the Abhiyaan from Khagaria district of the State and including the maximum number of 32 districts of Bihar in it, which is proving to be a boon for workers who have returned to their homes during the pandemic. The Union Rural Development Minister assured the State representatives that full consideration would be given to their suggestions.

(Source: Press Information Bureau)

Conclusion

It is telling that this campaign has been launched amidst the celebration of Mahtama Gandhi's 150th birth anniversary. As Mahatma Gandhi had written in a letter dated 23rd August, 1944 - "For me, India begins and ends in the villages". Surinder S Jodhka in paper titled 'Nation and Village: Images of Rural India in Gandhi, Nehru and Ambedkar'(2002) explained that, "the real swaraj or self-rule, as Gandhi imagined, could be achieved only by restoring the civilizational strength of India through revival of its village communities. The upliftment of India depended solely on the uplift of the villages." In a way, there could be no bigger tribute to Mahatma Gandhi than to empower the rural population to uplift and empower themselves through their work.

The migrant scholar Chinmay Tumbe in his seminal work 'India Moving- A history of Migration' has highlighted that "more than 40 million people have been displaced within India due to development related projects."[6] Development induced displacement has been a norm over several decades in Indian economic history. Through the PM Garib Kalyan Rojgar Abhiyaan, the Government has set an optimist novel development trend by designing for repatriation induced development. This would go a long way in addressing the geographical rural-urban disparity in economic opportunities.

The PM Garib Kalyan Rojgar Abhiyaan is aligned with the spirit of Aatmanirbhar Bharat Abhiyaan and pushes forth the ideals of the father of our nation. It will strengthen rural economy through a plethora of economic opportunities waiting to be taken up by the ambition and aspiration of the returning migrant labourers.

Footnotes

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MSMEs-The Catalyst of Development

Dr. Harender Raj Gautam

Micro, Small and Medium Enterprises (MSMEs) are amongst the life line for the self reliance in the rural India. Today, MSMEs are the strongest drivers of economic development, innovation and employment for the global economy. Further, these enterprises play an important role as a place for entrepreneurship and business skill development, especially in rural areas due to their easy accessibility. The government is continuously focusing on this vital sector of our economy and has taken several measures to strengthen the Medium, Small and Micro Enterprises.

The future of India lies in its villages' reminds us of the vision of Father of the Nation Mahatma Gandhi of a self-realiant village for economical prosperity of rural India. Micro, Small and Medium Enterprises (MSMEs) are amongst the life line for the self reliance in the rural India. Today, MSMEs are the strongest drivers of economic development, innovation and employment for the global economy. These enterprises are responsible for significant employment and income generation opportunities across the world and have been identified as a major driver of poverty alleviation and development. As per the data gathered by the International Council for Small Business (ICSB), formal and informal MSMEs make up over 90 percent of all firms and account and on average, for 70 percent of total employment and 50 percent of the world GDP.

In developing countries like India, where majority of the population resides in the rural areas, these MSMEs are crucial - socially and economically. Because, these enterprises are wide dispersed across rural areas, they are extremely important for rural economic development and they have the ability to absorb a significant large number of workers. Further, these enterprises play a key role as a place for entrepreneurship and business skill development, especially in rural areas due to their easy accessibility.

According to the estimates of the World Bank, 600 million jobs will be needed by 2030 to absorb the growing global workforce, which makes Small and Medium Enterprises (SME) development a high priority for the governments around the world. In the emerging markets, most formal jobs are generated by SMEs, which create seven out of 10 jobs. However, there is a need for infusion of more funds for realising the optimum potential of this sector in our economy and also in employment generation. The International Finance Corporation (IFC) estimates that 65 million firms, or 40 percent of formal MSMEs in developing countries, have an unmet financing need of $5.2 trillion every year, which is equivalent to 1.4 times the current level of the global MSME lending.

Growth and Development of MSMEs

The MSME sector also contributes in a significant way to the growth of the Indian economy. The country has vast aggregates of 6.33 crore MSMEs out of which 99.4 percent are micro-enterprises. The sector contributes about 45 percent to manufacturing output, more than 40 percent of exports, over 28 percent of the GDP while creating employment for about 111 million people. The value of Micro Small and Medium Enterprises (MSME) related products exported during 2017-18 reached $124.4 billion as per data received from the Directorate General of

Commercial Intelligence and Statistics (DGCIS). As per the data available with Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoSPI), the contribution of MSME Sector in the country's GVA and GDP, at current prices is given in the Table 1.

The MSME sector tends to play a great role in employability in the rural areas to augment the agro-based economy. The Periodic Labour Force Survey (PLFS) of the National Sample Survey Office (NSSO) pegged the unemployment rate in the country in FY18 at 5.3 percent in rural India and 7.8 percent in urban India, resulting in overall unemployment rate of 6.1 percent. The potential of MSMEs in terms of their presence in the vast landscape of the country and employability capacity is evident from the Tables 2 and 3.

The MSME sector in India is exceedingly heterogeneous in terms of size of the enterprises and variety of products and services, and levels of technology employed. However, the sector has the potential to grow at a faster pace. To provide impetus to the manufacturing sector, the recent National Manufacturing Policy envisaged raising the share of manufacturing sector in GDP from 16 percent at present to 25 percent by the end of 2022. In order to enable identification and facilitate development of MSMEs, Government of India had enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Prior to the enactment of this act, small industries encompassed tiny, cottage, traditional, and village enterprises and MSEs in India were collectively termed as Small Scale Industries

Table 1. Contribution of MSMEs in Country's Economy at Current Price (in Rs. crore)

Year	MSME GVA	Growth (percent)	Total GVA	Share of MSME in GVA (%)	Total GDP	Share of MSME in GDP (%)
2012-13	2977623	15.27	9202692	32.36	9944013	29.94
2013-14	3343009	12.27	10363153	32.26	11233522	29.76
2014-15	3658196	9.43	11481794	31.86	12445128	29.39
2015-16	3936788	7.62	12458642	31.60	13682035	28.77
2016-17	4405753	9.44	13841591	31.83	15253714	28.90

Table 2: Category wise presence of MSMEs in rural and urban areas

Activity Category	Estimated Number of Enterprises (in lakh)			Share (%)
	Rural	Urban	Total	
Manufacturing	114.14	82.50	196.65	31
Trade	108.71	121.64	230.35	36
Other Services	102.00	104.85	206.85	33
Electricity*	0.03	0.01	0.03	0
All	324.88	309.00	633.88	100

Source: Annual Report of Ministry of MSME

*Non-captive electricity generation and transmission and distribution by units not registered with the Central Electricity Authority

Table 3: Category wise employment in MSMEs in rural and urban areas

Broad Activity Category	Employment (in lakh)			Share (%)
	Rural	Urban	Total	
Manufacturing	186.56	173.86	360.41	32
Trade	160.64	226.54	387.18	35
Other Services	150.53	211.69	362.22	33
Electricity*	0.06	0.02	0.07	0
All	497.78	612.10	1109.89	100

Source: National Sample Survey (NSS) 73rd round 2015-16

(SSIs) under the Industrial Development and Regulation (IDR) Act, 1951. The MSMED Act, 2006 has provided the legal framework for identifying the concept of 'enterprise' which includes entities both in manufacturing and service sectors and has categorized the enterprises into three tiers viz., Micro, Small and Medium.

Presently, the Ministry of Micro Small and Medium Enterprises is implementing the following programmes for the growth and development of MSME sector in the country.

i) Prime Minister's Employment Generation Programme

This is a credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth. Since the inception of the scheme in 2008-09, a total of 5.45 lakh micro enterprises have been assisted with a margin money subsidy of Rs.12,074.04 crore, providing employment opportunities to an estimated 45.22 lakh persons till 31.03.2019.

ii) Scheme of Fund for Regeneration of Traditional Industries

It is a cluster-based scheme for development of khadi, village industries and coir clusters by providing them with improved equipments, common facilities centers, business development services, training, capacity building and design and marketing support, etc.

iii) A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship

This scheme was launched in 2015 to set up a network of technology centres, to set up incubation centres, to accelerate entrepreneurship and also to promote start-ups for innovation and entrepreneurship in agro-industry. The scheme, 74 Livelihood Business Incubation (LBI) centres and 11 Technology Business Incubators have been approved since its inception.

iv) Coir Board

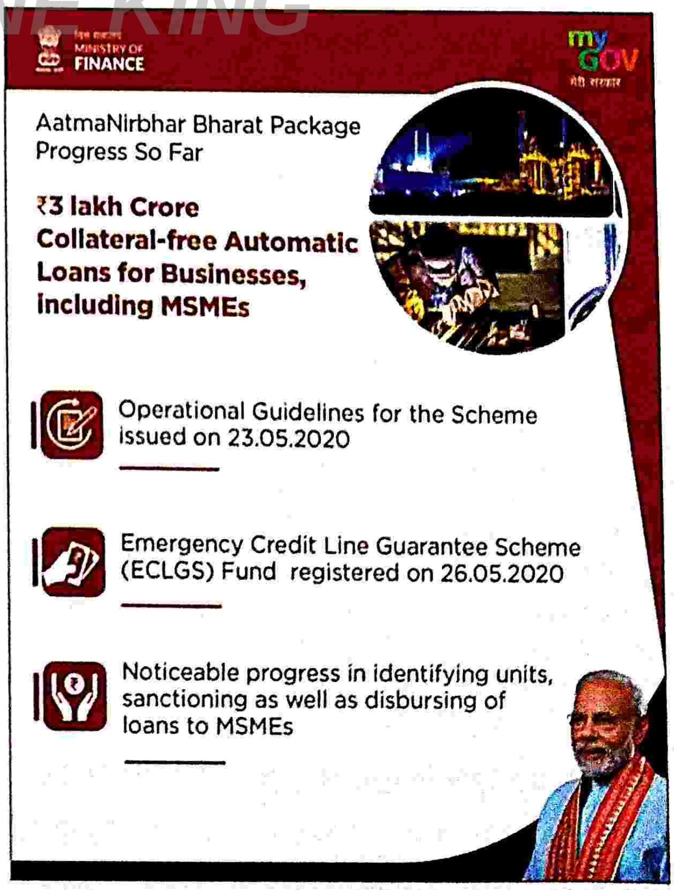
The Ministry of MSME, through Coir Board, is also implementing various Schemes/ programmes to assist entrepreneurs to set up new MSMEs in all coconut producing States. Under Coir Vikas Yojana, 36,30,653 employment opportunities have been created since 2014-15 till 2018-19 in the Coir Sector.

v) Credit Guarantee Scheme for Micro and Small Enterprises

The scheme facilitates credit to the MSE units by covering collateral- free credit facility (term loan and /or working capital) extended by eligible lending institutions to new and existing micro and small enterprises. The Scheme has extended guarantee cover to over 35 lakh enterprises leading to approximately one crore employment generation opportunities.

vi) Credit linked Capital Subsidy Scheme

This scheme facilitates technology upgradation of small scale industries, including agro & rural industrial units by providing 15 percent upfront capital subsidy, limited to maximum of Rs.15 lakhs.



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AatmaNirbhar Bharat Package
Progress So Far

₹3 lakh Crore Collateral-free Automatic Loans for Businesses, Including MSMEs

Operational Guidelines for the Scheme issued on 23.05.2020

Emergency Credit Line Guarantee Scheme (ECLGS) Fund registered on 26.05.2020

Noticeable progress in identifying units, sanctioning as well as disbursing of loans to MSMEs

vii) Micro and Small Enterprises-Cluster Development Programme

Under this scheme, the Cluster Development approach has been adopted as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country. A cluster is a group of enterprises located within an identifiable and as far as practicable, contiguous area and producing same / similar products / services.

viii) Solar Charkha Mission

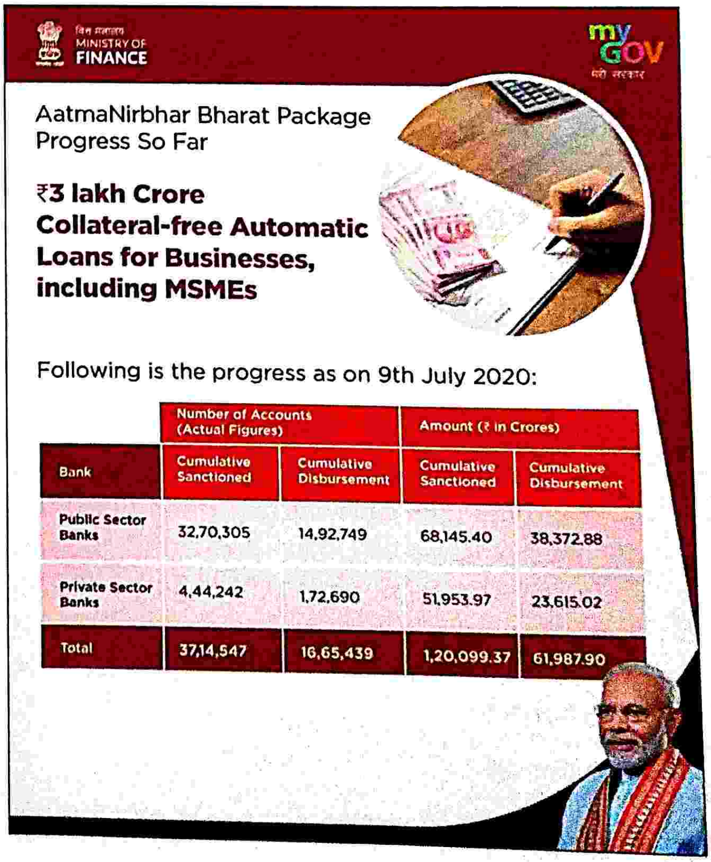
Launched on 27 June 2018, it is a programme that aims to contribute towards India's rural unemployment issue. The mission provides training in producing cloth to rural people which in turn, allows them to earn a better livelihood. Another appealing factor of this programme is that the looms and spindles used during the training are completely powered by solar energy. The Solar Charkha mission is being spread over 50 clusters and every cluster employs 400 to 2,000 artisans. On 2nd November 2018, the government announced establishment of 100 technology centres at a cost of $858.12 Million.

The government is continuously focusing on this vital sector of our economy and has taken several measures to strengthen the Medium, Small and Micro Enterprises (MSMEs). There is allocation of one billion US $ in the budget 2019-20 for the Ministry of MSME. Under this allocation, $50.1 million has been allocated under the 'Interest Subvention Scheme for Incremental Credit to MSMEs'. This will provide funding for the two percent rebate on incremental loans up to Rs. one crore for GST-registered MSME units. Further, $ 85.4 million is being provided under the Credit Support Programme, which will ensure seamless credit guarantee to small and medium enterprises. In one of the major initiative, 20 large and 100 small Technology Centres are being set up with a support of $858.12 million. These technology centres are being set up in continuation to 12 initiatives announced in November 2018. These initiatives are expected to help grow, expand and facilitate MSMEs across the country.

Bracing the Challenge of COVID-19 Pandemic

According to the World Bank, the COVID-19 or coronavirus pandemic will plunge the world into a recession. The Bank expects that while the global economy will shrink by 5.2 percent in 2020; in India, the Gross Domestic Product (GDP) will shrink 3.2 percent in the fiscal year 2020-21. COVID-19 pandemic is impacting the MSME sector because small companies tend to be vulnerable during an economic crisis because they have fewer resources with which to adapt to a changing context.

In the aftermath of COVID-19 pandemic, the Central Government was quick in introducing the Aatmanirbhar package to support the revival and fast track the working of Micro, Small and Medium Enterprises in India. After 14 years since the MSME Development Act came into existence in 2006, a revision in MSME definition was announced in the Aatmanirbhar Bharat package on 13th May, 2020. The new definition and criterion came into effect from 1st July, 2020. Now, in the definition, limit of micro manufacturing and services units has been increased to Rs. one crore of investment and Rs. five crore of turnover. The limit of small unit has been increased to Rs. 10 crore of investment and Rs 50 crore of turnover. Similarly, the limit of medium unit has been to Rs. 20 crore of investment and Rs. 100 crore of turnover. The Government of India in July this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AatmaNirbhar Bharat Package Progress So Far

₹3 lakh Crore Collateral-free Automatic Loans for Businesses, including MSMEs

Following is the progress as on 9th July 2020:

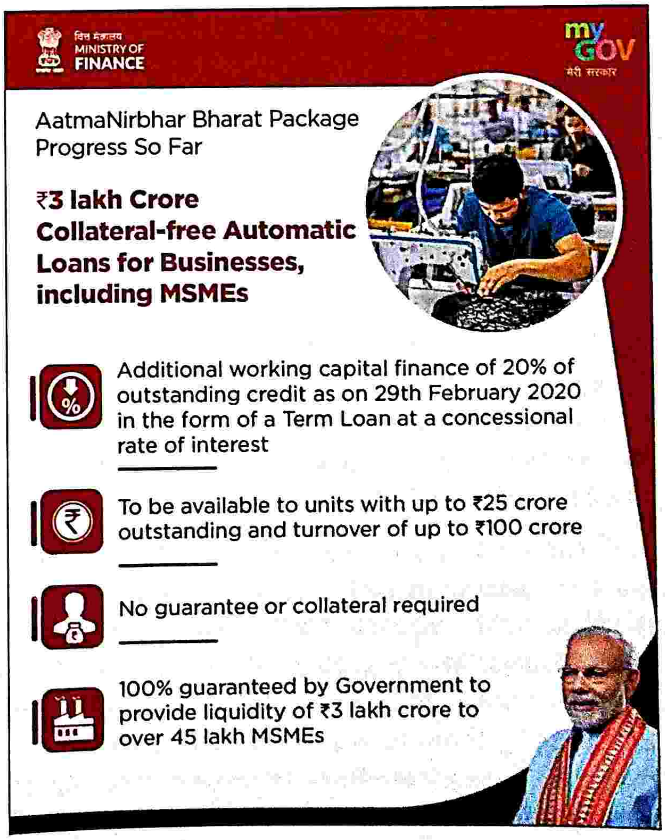
	Number of Accounts (Actual Figures)		Amount (₹ in Crores)	
Bank	Cumulative Sanctioned	Cumulative Disbursement	Cumulative Sanctioned	Cumulative Disbursement
Public Sector Banks	32,70,305	14,92,749	68,145.40	38,372.88
Private Sector Banks	4,44,242	1,72,690	51,953.97	23,615.02
Total	37,14,547	16,65,439	1,20,099.37	61,987.90

year decided for further upwards revision of the MSME Definition. For medium Enterprises, now it will be Rs. 50 crore of investment and Rs. 250 crore of turnover. The new definition will pave way for strengthening the growth of the MSMEs. In one of such new benefits, the provision of excluding the exports from counting of turnover will encourage the MSMEs to export more and more without fearing to lose the benefits of a MSME unit. This is expected to exponentially add to exports from the country leading to more growth and economic activity and creation of jobs. Ministry of MSME has put in place a very strong handholding mechanism for MSMEs and for this a new web portal in the name of Champions - Creation and Harmonious Application of Modern Processes for Increasing the Output and National Strength-www.champions.gov.in has been launched recently. In slew of measures taken for the strengthening of MSME sector, Central Government has given approval for provisioning of Rs 20,000 crore as subordinate debt to provide equity support to the stressed MSMEs. This will benefit 2 lakh stressed MSMEs. Approval for equity infusion of Rs. 50,000 crore for MSMEs through Fund of Funds (FoF) has also been given and this will establish a framework to help MSMEs in capacity augmentation. This will also provide an opportunity to get listed in stock exchanges. MSME Ministry has issued a detailed notification on 26th June, 2020.

To provide immediate relief to MSME sector, following important announcements have been made under Atmanirbhar Bharat Abhiyaan:

- Rupees three lakh crore collateral-free automatic loans for MSMEs has been formally launched to meet operational liabilities, buy raw material and restart businesses.
- Revision of MSME definition to render maximum benefits to the sector;
- Amendments in General Financial Rules have been carried out and implemented, mandating no global tenders for procurement upto Rs. 200 crore and this will open up new business avenues for Indian MSMEs
- To ensure that MSME payments are released within the timeframe of 45 days, directions have been issued at the level of Cabinet Secretary, Expenditure Secretary and Secretary, MSME.
- To further ease the burden on MSMEs, RBI has extended moratorium on repayment of loans for another three months.

Important financial institutions of the world are funding the MSME sector keeping in view its vast potential in reviving the economy. World Bank on June 30, 2020 approved a $ 750 million MSME Emergency Response programme in India to support increased flow of finance into the hands of micro, small, and medium enterprises (MSMEs), severely impacted by the COVID-19 crisis. The World Bank's MSME Emergency Response programme will address the immediate liquidity and credit needs of some 1.5 million viable MSMEs to help them withstand the impact of the current shock and protect millions of jobs. It is hoped that such measures will bring back workers to jobs, prevent bankruptcy, encourage investment and help economies get back on their feet as soon as possible in the aftermath of the crisis.



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AatmaNirbhar Bharat Package
Progress So Far

₹3 lakh Crore Collateral-free Automatic Loans for Businesses, including MSMEs

- Additional working capital finance of 20% of outstanding credit as on 29th February 2020 in the form of a Term Loan at a concessional rate of interest
- To be available to units with up to ₹25 crore outstanding and turnover of up to ₹100 crore
- No guarantee or collateral required
- 100% guaranteed by Government to provide liquidity of ₹3 lakh crore to over 45 lakh MSMEs

e-Commerce Vital for Higher Growth of MSMEs

As per the Economic Survey of India 2017-18, the electronic commerce (e-commerce) market in India is estimated at USD 33 billion, with a 19.1 percent growth rate in 2016-17. As per the National Association of Software and Services Companies (NASSCOM) Strategic Review 2018, in the Information Technology and Business Process Management (IT-BPM) sector in India, the Indian e-commerce market was USD 33 billion in 2017-18 and reached USD 38.5 billion, growing at a rate of about 17 percent in the financial year 2018-19. India is the fastest growing market for the e-commerce sector and the revenue from the sector is expected to increase from USD 39 billion in 2017 to USD 120 billion in 2020, growing at an annual rate of 51 percent, the highest in the world. Consumers benefit from e-commerce for the convenience of accessing it anytime and from anywhere with internet access. The mobile phone subscriber base in India has increased from 904.51 million in March 20147 to 1173.75 million in September 2019. The number of internet users has increased from 445.96 million in 2017 to 665.31 million in 2019 and is expected to increase to 829 million in 2021.

The leading e-commerce companies in India are also helping to tackle some of the challenges that MSMEs face in adopting e-commerce technologies like assisting MSMEs in funding, training and adoption of technology and encouraging them to engage with customers on a real-time basis. State Bank of India is working on setting up an e-commerce portal for marketing of products manufactured by micro, small and medium enterprises (MSMEs) in the country. As per the plan in the pipeline, the portal called Bharat Craft would be jointly run by the bank and the government.

The Road Ahead

There is need to create skill training hubs in each district of the country with a dedicated nodal office in each district by roping in all the stakeholders. Krishi Vigyan Kendras and Industries Department with their presence in each district of the country should have need based, area specific and continuous round the year training programmes of one month to one year durations for the youth and the women. There is need to establish higher institutions of learning to impart knowledge and skills that can train the manpower in the efficient management of resources, human resource issues, tax laws, labour laws, etc. The course curricula should also be customized to suit the needs of the MSMEs specifically like MBA programme of two years in entrepreneurship etc.

Innovations, infusion of new technologies, skilled manpower and availability of finances in the MSMEs can transform the lives in the rural landscape of the country. To conclude, we need to remember the vision of the Central Government-'our small hands to make you large'-the champions.

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Bamboo-Important Component of Economy Post COVID-19

Union Minister for Development of North Eastern Region Dr. Jitendra Singh has said Bamboo sector will be one of the important components of India's Post-COVID economy. Addressing a webinar on July 10, 2020 with various clusters of Cane and Bamboo Technology Centre (CBTC) and persons associated with Bamboo Trade, he said that Bamboo will propel the Atmanirbhar Bharat Abhiyan in the North Eastern Region and isgoing to be an important vehicle of trade for India and the sub-continent. The Minister said that Bamboo is not only vital to North East India's Post- COVID economy but it will also herald a new momentum for Prime Minister Shri Narendra Modi's clarion call of "Vocal for Local".

Dr. Singh gave the mantra of "Create, Curate and Coordinate" for the Bamboo sector for its full exploitation, branding, packaging and marketing in India and abroad. Underlining the unexpected potentials of this sector and being neglected for the last 70 years, he said, the present government has the capacity and the will to unlock its potential to the highest level as 40 percent of all Bamboo resources lie in North-Eastern Region in the country. He lamented that despite India being the 2nd largest producer of Bamboo and Cane in the world, it's share is only 5 percent in global trade.

The Minister said, the sensitivity with which the Modi government views the importance for the promotion of Bamboo is evident from the fact that it has amended the century old Forest Act by taking home grown bamboo out of the purview of the Forest Act, in order to enhance livelihood opportunities through bamboo. Dr Jitendra Singh said, Prime Minister Shri Narendra Modi has always accorded highest priority to Northeast. Soon after the Modi government took over in 2014, Prime Minister had stated that every effort would be made to bring the North Eastern region at par with the more developed regions of the country. In the last six years, not only developmental gaps were bridged successfully, but the North- Eastern Region was supported in all its endeavours.

Speaking on the occasion, Shri KirenRejiju, MoS, Ministry of Youth Affairs and Sports and Minority Affairs said, DoNER Ministry has done well to promote the Bamboo sector and now the onus lies on all the 8 North Eastern States to make it a vehicle of prosperity for the whole region. He also advocated that the Centre must do a hand-holding for the same as the sector has not realized its full potential.

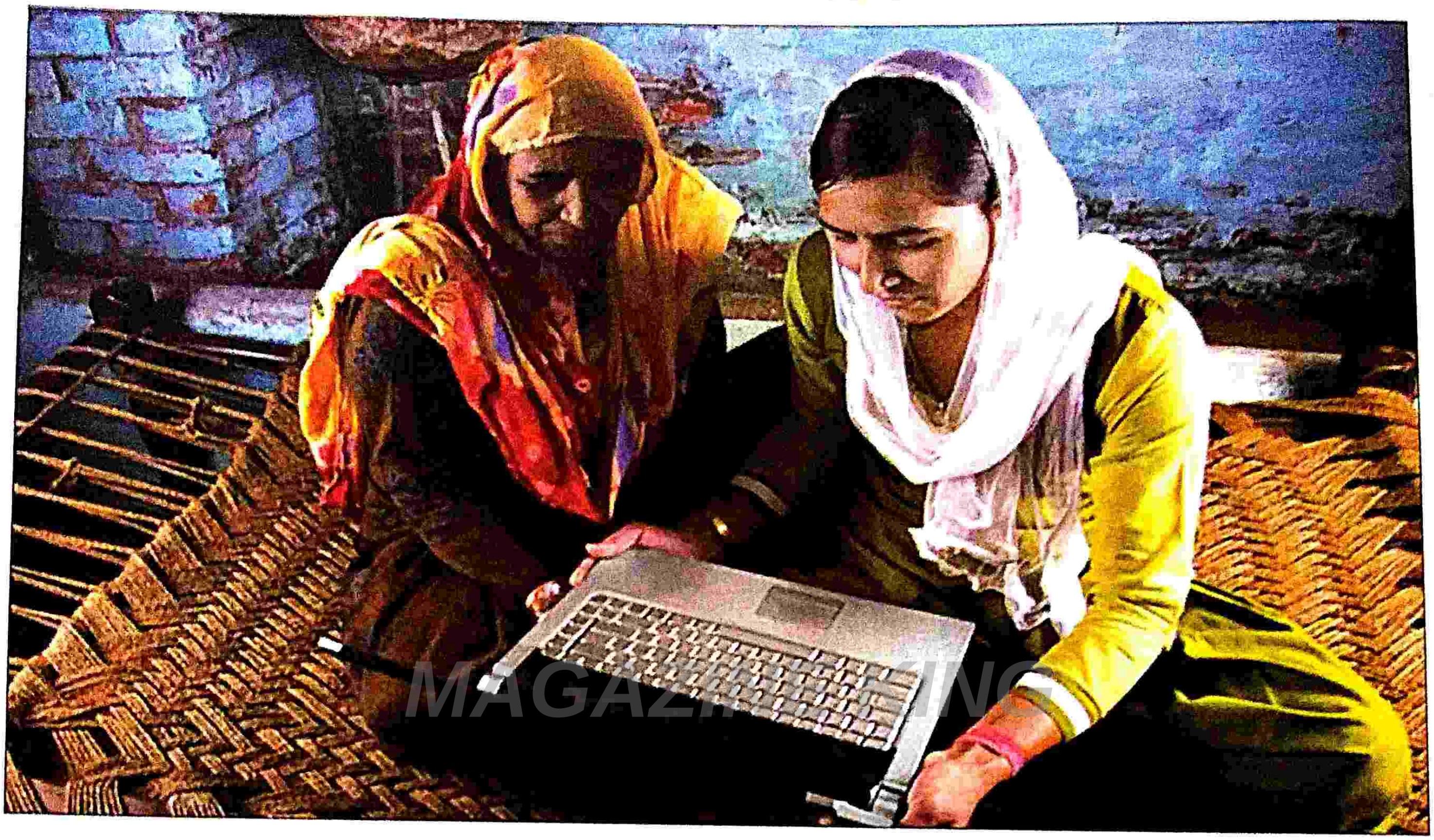
In his address, Shri Rameshwar Teli, MoS, Food Processing Industries said that apart from huge employment opportunities, the Bamboo sector can be a main pillar of ecological, medicinal, paper and building sectors in India. He said that through right policy interventions, India could capture substantial chunk of Asian market in Bamboo trade.

(Source: Press Information Bureau)

Economic Participation of Rural Women

Pankhuri Dutt

The Government has started several schemes to improve women's economic participation in the country especially in the rural India. Such schemes have empowered women in rural areas that has resulted in positive externalities for the community and increase in family welfare of the women who are employed. There is an increase in women's participation in local governance processes; increase in children's education and the bargaining power of women in a household.



The annual Periodic Labour Force Survey (PLFS), 2018-19, indicates that only 19.7 percent of women in rural areas are part of the labor force. While the labour force participation rate of women in rural areas is marginally better than that of women in urban areas, opportunities for women in rural areas is limited to a handful of sectors and in numbers. This is confirmed by the PLFS report that states 71 percent of women in rural areas were engaged in the agriculture sector while nine percent were in the manufacturing sector and six percent were in the construction sector. On an average, over the years, there has been a significant increase in the share of non-farm workers in rural areas in sectors like services, industry, and construction. However, research suggests that the share of rural workers migrating to the non-farm work is skewed in favour of male workers (Jatav & Suchitra, 2013). Moreover, between 1990s and 2010, the declining share of women employed in agriculture resulted in a less than proportional increase in their employment in other sectors (Chand & Srivastava, 2014). Among the rural female workers, almost 60 percent were self-employed, and 23 percent were casual labourers and only 11 percent earned regular wages or were salaried employees. Lower literacy rate among women in the rural areas is another reason why their job opportunities are mostly limited to the agriculture sector. Even within the agriculture sector, education plays a critical role as the level of commercialisation and mechanisation increases. Over the years, the Government has taken active steps towards improving the literacy rates among women in the rural India. As per the PLFS report, compared to the India's average literacy rate of 78.1 percent, only 65.7 percent women in rural areas above the age of seven were literate as of 2019. Even though there has been a significant improvement in literacy rates of women in rural areas, it appears to have had a limited impact on their labour force participation rates.

Programmes

There are several Government schemes that have been launched to improve women economic participation.

Beti Bachao Beti Padhao

This is a tri-ministerial scheme by the Ministry of Women and Child Development, Ministry of Human Resource Development and Ministry of Health and Family Welfare launched on 22 January, 2015 to create awareness about the importance of protecting girl child and focus on their education and rights. As per the Census of 2011, for every 1000 boys born in India, only 918 girls survived. This scheme aims to improve this skewed Child Sex Ratio (CSR) and reduce inequalities and discrimination against girls that typically have limited access to health, nutrition, and education. The scheme recently released a set of initiatives that were implemented at district levels to sensitise families in both rural and urban areas about these inequalities. In the rural district of Thiruvannamalai in Tamil Nadu, a young girl who reported her child marriage was chosen as a mascot for ending child marriage in the district. Consequently, awareness about the evils associated with child marriage has increased in the district; young girls feel more courageous to report their child-marriages; and their demands to pursue education has increased. Similarly, Haryana's Jhajjar district has been providing free sanitary napkins to young girls from rural areas who do not attend school while menstruating because they cannot afford to buy the commercially available sanitary napkins. There has been a substantial reduction in absenteeism among girls up to 40 percent since the introduction of this programme. There has also been as increase in the confidence levels of adolescent girls in the district and the programme has helped diminish taboos about menstruation while emphasising the importance of hygiene (BBBP, 2019). These are a couple of examples among several such initiatives that were undertaken through this programme.

Mahila e-Haat

Mahila e-Haat is an initiative for women entrepreneurs and self-help groups for showcasing their products that are made or manufactured by them on an online platform (See related information in box on page no. 48). This is a unique way to improve the access of rural entrepreneurs to market, increase digital financial inclusion and empower women.

Mahila Shakti Kendra

Mahila Shakti Kendra is another initiative that was launched to improve the technical capacity of governments in implementing women centric schemes and programmes. It introduced a new center called District Level Center for Women (DLCW) that collects information on government programmes and schemes for women and shares with all citizens while serving as a link between districts and states. Government has also taken active measures to monitor and evaluate the success of this scheme. The contribution of this scheme will be measured using defined outcomes like the share of women who were contacted through the outreach and

About Mahila E-haat

Mahila E-Haat is an initiative for meeting aspirations and needs of women entrepreneurs. This start up at Rashtriya Mahila Kosh website leverages technology for showcasing products made/ manufactured/sold by women entrepreneurs. They can even showcase their services reflecting their creative potential. This unique e-platform will strengthen the socio-economic empowerment of women.

With the launch of the site itself more than 125000 women are likely to benefit. It is expected to result in a paradigm shift enabling women to exercise control over their finances by leveraging technology.

Vision

To empower and strengthen financial inclusion of Women Entrepreneurs in the economy by providing continued sustenance and support to their creativity.

Mission

To act as a catalyst by providing a web based marketing platform to the women entrepreneurs to directly sell to the buyers.

Goal

To support 'Make in India' through online marketing platform.

(Source: Ministry of Women and Child Development)

awareness programmes; share of women demanding these services; and the share of women who were provided with government scheme benefits through this programme.

MGNREGA

One employment scheme that stands out among all other to empower women in rural areas is the Mahatma Gandhi National Rural Employment

Generation Act (MGNREGA). This scheme has worked in favour of rural women by providing them paid employment at par with men. As women are more likely to partake in subsidiary employment, this scheme works for them as it guarantees employment for 100 days in a year. A report from ILO suggests that increase in labour force participation rate of rural women in subsidiary capacity and the increase in their participation in casual public works employment schemes could be associated with this scheme (de Mattos & Dasgupta, 2017). Other studies suggest that some women would have never worked outside their home had it not been for MGNREGA. MGNREGA was also found to be associated with the economic independence and wage increase of women in rural areas. Reserving one-thirds of the jobs for women in the scheme was found to be associated with an increase in labor force participation of women. The scheme has empowered women in rural areas that resulted in positive externalities for the community and increase in family welfare of the women who were employed through this scheme. There is an increase in women's participation in local governance processes; increase in children's education and the bargaining power of women in a household[1].

A quick review of the issues challenging the success of all these programmes indicates that the biggest stymie is social stigma that is associated with women who want to work outside their homes. In addition, majority of burden of family care falls on women's shoulders. Several studies have indicated that single women are more likely to work outside their homes than married women. Moreover, having children is another deterrent to women joining formal work force. The Constitution grants equal status and protection to women through equal rights, and the Government has introduced several reforms in education and healthcare over the years that have helped women. Yet, women in rural and urban areas are deprived of equality of opportunity, recognition and status because social empowerment and reforms are the most difficult and time-taking changes (Singh & Kumar, 2012). Women's economic participation is important to change their social stature.

The COVID-19 pandemic has exposed an unequal work environment where women worked from home while taking care of their children's education as schools went online; took care of the elderly; and did most of the household chores as well. This has left a lasting impact on work cultures which have come to terms with the demands of work-from-home options in urban areas. As economies digitise and technological changes normalise remote work, it is expected that there will be a huge demand for workers in the care economy to support women within households and those who work outside homes. This is especially important to prevent women in labour force from quitting their jobs due to increased burden of household chores.

Care economy has traditionally hired women to work as nurses, teachers, child caregivers and palliative caregivers and this trend is expected to continue in future. In this direction, it is imperative that we work towards creating policies that can train women in rural areas in health, elderly and child-care. As more and more women in urban areas increase their participation in the formal economy, the demand for workers in care economy can be easily supported through a supply of well-trained and educated women from rural areas. Our nursing schools and vocational training centers in care economy can help create job opportunities for women in rural and urban areas. This will also help reduce the number of hours women spend doing household chores and taking care of family members, across the country.

India already has a working model through the Anganwadi scheme that has been successful in engaging women in rural areas for similar services. The Poshan Abhiyan, which uses technology to improve service delivery towards reducing malnutrition is a perfect example of how women can be trained to deliver in such areas. However, Anganwadi scheme is an honorarium based voluntary initiative that engages women informally. Current increases in the amount of the honorarium and options to offer health insurance are significant policy changes that will make this programme even more impactful. Using these centers as the units of training and development, more women can be engaged in paid employment through market mechanisms. Private sector participation in such schemes can result in reduction of the financial burden of government agencies by reducing the cost of training and development and ensuring connectivity of trained workers with the urban market.

However, this also calls for several policy challenges associated with migration of women. Social norms that prevent women from working outside their homes and relocation must be addressed through a formal structure that protects the rights of these migrant workers and ensures their safety and security. There are several agencies that currently supply labour from rural areas to urban areas for these services but there is a greater need to formalise these agencies and ensure that their employees are aware of and have access to information on standard employee benefits, taxation and their legal rights. It is important to ensure that formal contracts cover benefits like paid leaves, access to health insurance, and access to formal financial systems that are digitally enabled to avoid leakages in salary transfers. Initiatives like women's hostels are a great way of ensuring a safe place for women to stay and for their childcare, but much more is needed to ensure that their rights are protected through proper contracts. India's growth story is incomplete without the economic and social growth of women. It might take our society some time to adjust to the growing demands of women to be financially independent, but in the interim, incremental policy changes along with private sector participation can be used to ensure that women in rural areas are not left behind. The most impactful way put an end to social taboos against women who want to work outside their homes is to demonstrate through action that we can create a work culture that is equal, safe and inclusive where women- single, married or with children–can work without discrimination.

Footnote

1 For a detailed review of the evidence on the impact of MNREGA on economic empowerment of women in rural India, please refer to 'MNREGA, paid work and women's empowerment', Fernanda Bárcia de Mattos, Sukti Dasgupta, ILO Working Paper No. 230.

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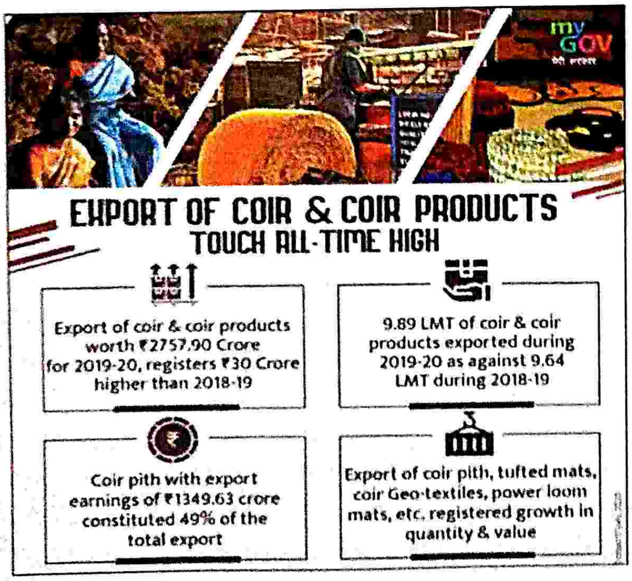
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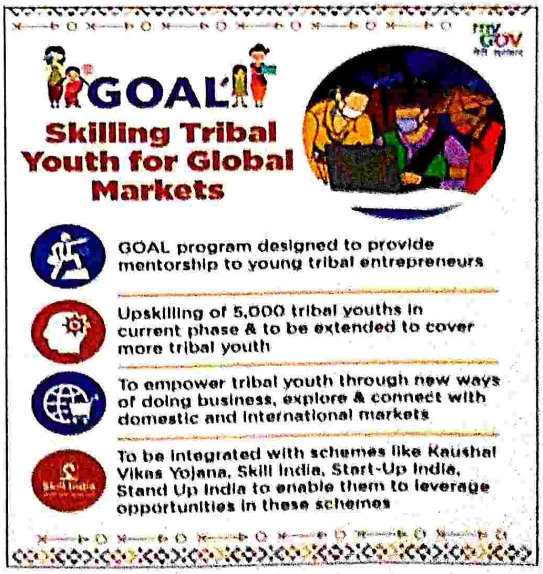
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